



Doing Business in Kuwait:

A Country Commercial Guide for U.S. Companies 2014

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- Chapter 1: Doing Business In Kuwait
- Chapter 2: Political and Economic Environment
- Chapter 3: Selling U.S. Products and Services
- Chapter 4: Leading Sectors for U.S. Export and Investment
- Chapter 5: Trade Regulations and Standards
- Chapter 6: Investment Climate
- Chapter 7: Trade and Project Financing
- Chapter 8: Business Travel
- Chapter 9: Contacts, Market Research and Trade Events
- Chapter 10: Guide to Our Services

[Return to table of contents](#)

Chapter 1: Doing Business in Kuwait

- [Market Overview](#)
- [Market Challenges](#)
- [Market Opportunities](#)
- [Market Entry Strategy](#)

MARKET OVERVIEW

[RETURN TO TOP](#)

Kuwait is situated in the northwestern corner of the Arabian Peninsula, at the head of the Arabian Gulf. Bordered to the north and west by Iraq, to the south and west by Saudi Arabia and to the east by the Arabian Gulf, Kuwait occupies a strategic position in this vital region. Kuwait is a member of the six-nation Gulf Cooperation Council (GCC). About one-third of Kuwait's 3.98 million residents are Kuwaiti nationals. The other 2.73 million residents hail from more than 80 countries. Kuwait's economy is dominated by the oil industry and government sector. The country's crude oil reserves are estimated at nearly 101.50 billion barrels, approximately 8% of the world's reserves, and account for nearly half of Kuwait's GDP, 94.4% of government revenues. Kuwait's economy has benefited from the sharp rise of oil prices in recent years. Given that oil is the country's main natural resource, Kuwait's industries are dominated by oil refining and downstream petrochemical processing. The non-petroleum related manufacturing and agriculture sectors are limited, consisting of a switch gear manufacturer for power sub stations and factories for building materials, furniture, and food packaging.

The 2003 ouster of Saddam Hussein in Iraq stimulated local confidence in Kuwait's economy and security situation. In 2010, Kuwait's parliament passed a five-year \$104 billion development plan that strives to update Kuwait's infrastructure and diversify the economy away from oil. Unlike Kuwait's Gulf neighbors, government-funded major projects here move slowly. Kuwait traditionally under estimates budget revenues and overestimates expenditures, and is likely to achieve a budget surplus for the 15th straight year.

Kuwait imports most of its capital equipment, processed foods manufacturing equipment, and consumer goods. Two-way trade is limited to few international partners. A high percentage of imports originate from the U.S., Germany and Japan, while over 40% of Kuwait's export earnings are attributable to Japan, South Korea, India, and the U.S. The U.S. remains a leading and strategic partner of Kuwait. Kuwait's imports from the U.S. in 2013 were valued at \$2.6 billion, a slight decrease compared to 2012 at \$2.9 billion. As Kuwaitis frequently travel to the U.S. (and have studied in the U.S.), Americans and their products receive one of the warmest welcomes in the Middle East in this small economic powerhouse. Although Kuwaitis are extremely price-conscious, they are also avid consumers. While Chinese and Indian goods increasingly dominate low-end imports, U.S. exports are competitive in Kuwait.

Kuwait's nominal GDP grew by 16.5% to reach KD 51.3 billion (USD 183 billion). Kuwait's current oil production capacity is estimated at 3 million barrels per day. Kuwait hopes to increase its production capacity to 3.5 million barrels per day by 2020. In order to reach its 2020 goal, Kuwait has to continue spending heavily on upgrading downstream facilities and for upstream oil development in the next five years.

Transportation equipment (including automobiles and automotive parts) account for approximately 1/3 of the non-military U.S. exports to Kuwait in 2013. Oil and gas field equipment, telecommunications and IT equipment, electric generator sets, medical equipment, building materials and supplies, and electronics were also leading export sectors for U.S. firms.

For the full USEIA report on Kuwait visit:
<http://www.eia.doe.gov/emeu/cabs/Kuwait/Full.html>

MARKET CHALLENGES

[Return to top](#)

Kuwait's complex business environment requires flexibility, patience, and persistence. Many U.S. exporters and investors in Kuwait face challenges that exist in other GCC countries, such as inconsistent, sometimes contradictory policies, lack of transparency in decision-making, reversal of tenders once awarded, and a judiciary that heavily favors the local population. Careful planning and personal relations are crucial for success in Kuwait. Matters of concern to U.S. businesses include less than transparent regulations pertaining to industrial standards, highly bureaucratic procedures, insufficient intellectual property rights protection, and cumbersome public contracting and procurement procedures. These challenges are not unique to Kuwait or GCC member states. Kuwait, however, stands out because it is an expensive place to do business. The requirement to have a Kuwaiti agent for any business entity, the closed nature of the oil production and exploration sector, and Kuwaiti aversion to risk have resulted in slow progress. In the past, uncertainty about taxes owed has been a major deterrent to exporters, and hidden costs of delayed contracts and prolonged negotiations have made the cost of doing business in Kuwait high. Terms and conditions on tenders can be onerous. Kuwait's Direct Foreign Capital Investment Law stipulates that Kuwaiti courts alone are responsible for adjudicating any disputes involving a foreign investor and other parties, although arbitration is permitted.

MARKET OPPORTUNITIES

[Return to top](#)

The State of Kuwait is undergoing significant expansion in the building and construction industry. The government of Kuwait has a multi-billion dollar development plan that includes the construction of major roadways, a new container terminal and infrastructure to support northward bound transportation. Private construction and project development, like in other GCC urban centers, is moving forward.

The traditional import sectors of automotive, oil and gas, computers/ITC, telecommunications equipment and construction equipment remain strong. The Ministry of Education is revising curriculum for primary and secondary schools, there is a shortage of high quality health care facilities, and most building materials are imported. All these factors bode well for high-end exports that already have GCC exposure.

Global Markets in Kuwait has identified other opportunities for projects coming on board over an extended period of time. These projects include a multi-billion dollar investment in homeland security infrastructure, a proposed \$10 billion expansion in needed electricity generation capacity (B.O.T projects), investment in environment cleanup projects, and continued expansion in the lucrative logistics market serving U.S. military forces in the Middle East.

Transportation equipment (including automobiles, auto parts and accessories) account for one-third of the \$2.6 billion in U.S. exports in 2013. U.S. high-end medical equipment has great promise in Kuwait, as private clinics and hospitals are upgraded. Oil and gas field equipment, electric generator sets, building materials and supplies, aircraft and parts, and information technology are also leading American export sectors. The Kuwait Petroleum Company and its subsidiaries are actively pursuing new U.S. sources for equipment and service products. Global Markets in Kuwait organizes delegations to U.S. trade shows in these key sectors. Global Markets also supports food, medical, aviation, defense, oil and gas, and environmental shows in the GCC region, in addition to organizing incoming exporters' delegations and buyers' delegations to trade shows featuring U.S. Single Company Promotions.

In short, Kuwait is a wealthy country with savvy business people in the private sector. Many Kuwaiti companies are now building ports and airports in Egypt and Africa, own facilities in Europe and Asia, and represent U.S. franchises throughout the Middle East and as far away as Russia, while strongly protecting their own domestic market.

MARKET ENTRY STRATEGY

[Return to top](#)

The GCC has a 5% flat rate tax on imports. Kuwait corporate income taxes for foreign corporations ranged from 15-55%, but have been changed to a flat 15% as of 2008. To be successful in the Kuwaiti market, most U.S. companies should identify, develop and support a local agent, representative, or account executive to manage the marketing strategy for both company and products. Some companies find having a Kuwait partner rather than an agent a good tactic, to avoid tax bills. Prior success in other GCC countries is helpful but companies rely on local experience and knowledge to conduct their business in these markets. Knowing regulations and the general business framework is a difficult task without the support of a competent local agent or business partner. U.S. companies should seek this type of business relationship and understand that the best representatives are those who are already active in their particular sector with cultivated contacts.

Global Markets in Kuwait has a number of programs and services to assist U.S. companies in establishing a presence in this rapidly growing market. We highly discourage against entry into the Kuwait market without the assistance of competent legal and tax counsel that reside in Kuwait. To that end, Global Markets in Kuwait employs experienced Commercial Specialists with industry sector expertise who can tailor your business approach to the right audience, and advise your company in negotiating the maze of bureaucratic procedures that are common in this part of the world. If you wish to learn more about the potential for your business in Kuwait, please contact the U.S. Export Assistance Center (USEAC) in your state.

In summary, selecting the appropriate agent who will work for you is the single most important step a U.S. exporter can take in Kuwait. Getting competent local legal counsel to craft an agreement that protects your company from future liability is also a key. The best local partners are those who share both the risk and profit with their American partners.

The Embassy team is ready to assist and offer advocacy support on behalf of U.S. commercial interests in Kuwait.

<http://export.gov/kuwait/contactus/index.asp>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/35876.htm>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 3: Selling U.S. Products and Services

- [Using an Agent or Distributor](#)
- [Establishing an Office](#)
- [franchising](#)
- [Direct Marketing](#)
- [Joint Ventures/Licensing](#)
- [Selling to the Government](#)
- [Distribution and Sales Channels](#)
- [Selling Factors/Techniques](#)
- [Electronic Commerce](#)
- [Trade Promotion and Advertising](#)
- [pricing](#)
- [Sales Service/Customer Support](#)
- [Protecting Your Intellectual Property](#)
- [Due Diligence](#)
- [Local Professional Services](#)
- [Web Resources](#)

USING AN AGENT OR DISTRIBUTOR

[RETURN TO TOP](#)

Laws and Regulations

Commercial Law 36 of 1964, as amended by Commercial Law 68 of 1980, governs the establishment of a business or business relationship in Kuwait. Under the above provisions, a foreign commercial entity may not establish a branch or perform any commercial activities in the country except through a Kuwaiti partner or agent. U.S. firms seeking a presence in the Kuwait market may do so by utilizing commercial agents, distributors or service agents. Commercial agents promote products or services for a principal, as well as negotiate, conclude, and carry out deals on behalf of the principal (within the scope and authorization provided in the contractual agreement). A distributor promotes, imports, stocks, and distributes the principal's goods and services. Service agents (sponsors) act as representatives for foreign firms seeking to contract with the government of Kuwait per Article 24 of Commercial Law 68 of 1980, but they generally offer less value added. Cooperative unions and other food merchants can directly import certain foods.

Common Practices

Global Markets recommend that agency or distributor contracts include information pertaining to the geographic sales or marketing territory to be covered by the agent, manufacturer's representative, or distributor. The contract should stipulate the products and services that the party will support and manage within an exact validity period of agreement, the agent/distributor fee and commission structure, the choice of applicable law, any arbitration clauses, milestones, and responsibilities of both parties as well as

termination clauses. In addition, the agreement must be crafted so that it complies with both Kuwaiti and U.S. laws. Though there is no statutory period for providing a notice of termination, a three-month period is customary. If a U.S. company does not officially terminate its Kuwait agent in writing, the agent may claim commission from future sales. Apart from termination, a U.S. principal must also be aware that the local agent may need to be compensated for investments made and good faith efforts undertaken to promote, sell, and service the principal's products in Kuwait. The Kuwaiti Commercial Code contains a formula for compensation; however the contract must be very well drafted by a competent lawyer in Kuwait. Where a relationship is terminated for cause and the agent has not met a performance goal, it is possible to avoid compensation.

ESTABLISHING AN OFFICE

[RETURN TO TOP](#)

Any Kuwaiti citizen over the age of 21 may engage in commercial activity in Kuwait. Foreign companies may not engage in commercial activity in Kuwait unless the Kuwaiti share of the business or joint venture equals or exceeds 51 percent of the total capital of the enterprise (60 percent for banks, investment brokerages, and insurance companies). The U.S. Commercial Service in Kuwait does not recommend hiring a non-Kuwaiti national to be its local representative in Kuwait since sales in Kuwait are highly relationship driven.

Under Kuwait's Direct Foreign Capital Investment Law of 2001, foreign firms are permitted 100 percent foreign ownership in certain industries including: infrastructure projects (water, power, waste water treatment, and communications); investment and exchange companies approved by the Central Bank; insurance companies; information technology and software development; hospitals and pharmaceuticals; air, land and sea freight; tourism, hotels, and entertainment; and housing projects and urban development. Projects involving oil and gas exploration and production are not authorized for foreign investment. Please see Chapter 6 for more on the Direct Foreign Capital Investment Law.

In order to establish a business in Kuwait, the Kuwaiti firm or joint venture needs to apply for a business license with the Ministry of Commerce and Industry. Application documents must be completed in Arabic. For commercial activity in sectors including telecommunications, health services and pharmaceuticals, the relevant ministry, department or regulatory agency may require additional permits or licenses.

Business enterprises may be established in several forms including: a Kuwait Shareholding Company (KSC), a company with limited liability (WLL), and general partnerships. The cost and time required to register and open a business will vary depending on the company structure. Reputable Kuwait companies have a business license, and are registered with the Kuwait Chamber of Commerce and Industry.

FRANCHISING

[RETURN TO TOP](#)

Kuwait is receptive to the franchise business model, although the food sector is already quite saturated. High per capita income, significant spending power, tax-free earnings,

and an upwardly mobile population serve to underline the business opportunity that exists in Kuwait.

Apart from food and service franchises, there is also high demand for quality education and training services. To respond to this need, the government opened the door to foreign universities and colleges to establish branches in Kuwait. The government aims to equip the younger generations in Kuwait with the necessary skills to work for the private sector. The opportunity for training and skills' development firms cannot be over emphasized.

DIRECT MARKETING

[RETURN TO TOP](#)

Direct marketing is limited in Kuwait. Most direct marketing campaigns involving print and catalogue media are conducted by furniture companies. Larger companies rely on newspaper inserts, mass mailings or Internet/mobile mass mailing campaigns in order to promote the latest product or sales promotion. Most fast food franchises engage in flyer distribution directly to homes. Advertising is also available on several FM radio stations (both in Arabic and English) and three state television channels. As a new trend, many companies especially in the consumer goods sector have selected to market their products online by placing ads on social networking websites like Facebook, Instagram, and Twitter. Several local advertising agencies are familiar with and serve U.S. and international businesses.

JOINT VENTURES/LICENSING

[RETURN TO TOP](#)

Foreign businesses are offered several incentives to establish joint ventures with Kuwaiti firms, including partial relief from Kuwaiti corporate taxes. In 2008, the foreign corporate tax rate was reduced to 15%. Given that all government procurement must be conducted with Kuwaiti citizens or firms and given that only Kuwaiti companies may be licensed in Kuwait, the joint venture model is a good vehicle to enter and maintain a long-term presence in Kuwait, especially for companies offering after-sale services and/or companies with regular client interaction.

A joint venture is considered a legal entity that is the ownership of any two parties (the majority stake being Kuwaiti), and as such, official notification in the Commercial Register is required. It is common for several foreign contractors and engineering firms involved in a major public contract to form a joint venture or consortium.

SELLING TO THE GOVERNMENT

[RETURN TO TOP](#)

Tender Law No. 37 of 1964 regulates government tenders. The Central Tenders Committee (CTC), under the jurisdiction of the Council of Ministers, acts on behalf of most government ministries. It oversees public tenders that are valued at more than 5,000 KD (approximately \$17,500), and oil sector tenders that exceed 5 million KD (approximately \$17.5 million). However, the Ministries of Housing, Defense, and Interior (including the security forces) are capable of issuing their own tenders independently of the CTC. All contracts with the Government valued at 100,000 KD (approximately \$350,000) or more are subject to Kuwait Law No. 25 of 1996, which requires

contractors/agents to disclose and report all payments made, received, or to be made or received when securing a contract. Besides awarding contracts, CTC invites companies to pre-qualify, and to attend pre-tender meetings. All CTC announcements can be found at the website <http://www.ctc.gov.kw/>, and are published weekly in an Arabic official gazette (Al Kuwait Al-Youm). An English translation of the gazette is available for subscription from a licensed vendor (Al-Abraj Translation & Publishing Co.).

Tenders are usually awarded on the basis of the lowest price once technical compliance has been established. Businesses should note that if a bidder wins a tender but then refuses to sign the contract, the concerned Ministry has the right to confiscate the bid bond as well as the performance bond, which may equal 5-10% of the contract's value.

Many companies add 10-15% to the cost of the project to mitigate the potential risk of projects or losing the performance bond. **Foreign companies cannot sell directly to the government nor can they participate in public tenders except through a local agent.** In the oil sector, for instance, suppliers need be approved by an internal committee and placed on a list of 'pre-approved' companies. For major projects, international companies are usually invited to pre-qualify.

There is a 10% price preference on public contracts in favor of Kuwaiti businesses. If a contracting officer or authority determines that a local company meets the technical specifications of the proposal, and even though the bid price may be higher (within 10%), the local company is awarded the contract.

DISTRIBUTION AND SALES CHANNELS

[RETURN TO TOP](#)

Marketing of most foreign products in Kuwait is through local agents or distributors. Depending on the location, type of product and after-market support that may be required, most U.S. companies will work through an agent or representative who would have access to a distribution network and have a customer support operation in place. Commission-based representatives/agents, on the other hand, periodically visit their customers with their foreign principals to maintain vital personal contact.

For direct support of U.S. interests in Kuwait, please contact any of the Commercial Specialists located at the U.S. Embassy in Kuwait
<http://export.gov/kuwait/contactus/index.asp>

SELLING FACTORS/TECHNIQUES

[RETURN TO TOP](#)

Once a U.S. firm appoints a manufacturer's representative or agent, the agent generally expects the principal's full support with respect to literature, technical information and advertising materials. Possible public sector buyers and potential private sector importers should receive product catalogs and other literature clearly displaying the name and address of the local representative or distributor. A common and highly effective support practice is to invite the representative or agent to the principal's country every year for annual sales and technical support meetings and training. Both agents and, if possible, their principals, should periodically visit existing and new customers since the importance of personal contacts in Kuwait cannot be overemphasized. U.S.

exporters often fail to win or keep contracts in Kuwait because they fail to listen to or get to know their customer well enough.

In order to be competitive in the local market, the key selling factors in Kuwait include price, quality, effective and convenient after-sale service and support, payment terms, discounts, and commitment to the business relationship. Payment installment plans and discounts are common marketing tools in a market that exhibits high price-driven demand.

Marketing schemes vary and include commercial discounts, sales, free service for equipment purchased over a limited offer period, give-aways, warranties, trade-in opportunities, and promotional events. For consumer products, Kuwait inaugurated a local shopping festival called "Hala Febrayer" (Welcome February). Special offers and promotional campaigns are common during this period, with hotels and other entertainment centers offering special rates and deals to attract shoppers from the region. Companies are reminded that all sales discounts require prior approval from the Ministry of Commerce and Industry.

Exhibitions in Kuwait are local and regional in nature. The best attended shows tend to be in UAE, Bahrain, and Jordan. The support of a local representative or agent will go a long way in establishing a presence for the U.S. partner. Participating alongside your representative makes good business sense.

ELECTRONIC COMMERCE

[RETURN TO TOP](#)

Kuwait has over one million Internet users. However, E-commerce remains predominately limited to on-line banking and financial brokerage services. As it stands today, most Kuwaiti companies do not conduct on-line business-to-business or business-to-consumer transactions.

The government of Kuwait e-Government website (<http://www.e.gov.kw>) offers basic services for both individuals and businesses. An electronic signature law, based on the United Nations Commission on International Trade Law (UNCITRAL) laws on electronic commerce, still awaits legislative approval.

TRADE PROMOTION AND ADVERTISING

[RETURN TO TOP](#)

Exhibitions

The Kuwait International Fair (KIF) holds several national and regional exhibitions annually. Though it hosts primarily local events, the KIF allows attendees an opportunity to meet with local sales agents and account executives. For information on the Kuwait International Fair please visit <http://www.kif.net>.

The U.S. Embassy organizes several international buyer delegations to major U.S. trade events each year. These include, but are not limited to: NAHB International Builders' Show, World of Concrete, SEMA Show (automotive), and Offshore Technology Conference (oil & gas). The U.S. Commercial Service in Kuwait usually takes a delegation to the annual Arab Health show in Dubai. International Buyer Show

information will be made available on the U.S. Commercial Service Kuwait web site at <http://export.gov/kuwait/contactus/index.asp>.

PRICING

[RETURN TO TOP](#)

As a key selling factor in Kuwait, payment installment plans and discounts are common marketing tools in this market. Until you know your client, we recommend cash in advance or Letters of Credit.

Marketing schemes include commercial discounts, sales, free service for equipment purchased over a limited offer period, giveaways, warranties, trade-in opportunities, and promotional events.

Most products imported into Kuwait from a non-GCC member state will be assessed a duty of 5%. This will need to be included in any pricing calculation. There is currently no Value Added Tax.

In addition to the CIF price quotation plus import duty, U.S. exporters should be mindful of the Kuwaiti agent's commission (often between 5-15%), other transportation costs, and any installation costs or training that may be part of the agreed upon terms of delivery. Most U.S. exporters find Kuwait a more expensive export destination than expected.

SALES SERVICE/CUSTOMER SUPPORT

[RETURN TO TOP](#)

U.S. suppliers should identify local representatives or distributors with the necessary service and maintenance capability. Companies should include follow-on maintenance clauses if the products or equipment will require it.

Consumer warranties are often provided to products including: electronic goods, appliances, vehicles, tires, and a variety of consumer products. Warranties can range from 90 days to up to 3 years. There are several independent service and repair centers in Kuwait that make frequent use of non-original equipment manufacturer components or maintenance procedures.

After-sales service and customer support are especially critical in the automotive and white appliances industry. Automobile dealers offer a one-year or 20 or 30 thousand kilometer warranty. White appliance dealers will offer either repair or replacement over a particular period. Some dealers will carry out repairs at the end-users' location.

PROTECTING YOUR INTELLECTUAL PROPERTY

[RETURN TO TOP](#)

As it stands, Kuwait is on the Office of the United States Trade Representative's (USTR) Special 301 Watch List due to continued inability to resolve and address copyright infringement, and lax enforcement of IPR violations. Kuwait has one of the highest optical disc and software piracy rates in the region.

In 2004, Kuwait Customs established a special IPR unit and began undertaking some enforcement actions. The Ministry of Commerce and Industry conducts raids on shops selling counterfeit products. Software and video products are widely pirated in Kuwait.

Kuwait's patent and trademark legislation was passed in the National Assembly in December 2000 and took effect in 2001. Though legislation is in place, penalties are light and not effective deterrents for IPR violators. Trademarks can be registered in Kuwait for 10 years and renewed for additional 10 year increments indefinitely. If a trademark has not been used for a five-year period, an interested party can apply to the judiciary and have the trademark rescinded. Registration affords the owner exclusive rights to use the trademark in connection with the particular goods and services in the registration certificate.

Since trademark registration is linked to the Kuwaiti agent, the trademark would need to be re-registered when a mark holder signs a new agent or distributor.

Another issue is that of parallel imports, with legitimate U.S. goods produced outside the U.S. and exported to Kuwait. Kuwait General Administration for Customs vigilantly looks for such products, and action is taken to resolve disputes and identify parties involved. Because goods in Kuwait sell for 10-40% higher than in most neighboring GCC countries, many importers bring in U.S. goods manufactured in other countries. This results in underselling those with licenses in Kuwait.

Protecting Your Intellectual Property in Kuwait:

Several general principles are important for effective management of intellectual property ("IP") rights in Kuwait. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Kuwait than in the U.S. Third, rights must be registered and enforced in Kuwait, under local laws. Your U.S. trademark and patent registrations will not automatically protect you in Kuwait. Most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Kuwait market. It is vital that companies understand that IP is a private right and that the U.S. government generally cannot enforce rights for private individuals in Kuwait. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Kuwait law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in

prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Understand your partner's position and give clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Kuwait require constant attention. Work with legal counsel familiar with Kuwait laws to create a solid contract that includes non-compete clauses and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting and piracy. There are a number of these organizations, both Kuwait or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)
- Arabian Anti-Piracy Alliance (AAA)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit www.STOPfakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**. The USPTO also has a regional IP Attaché for the Middle East & North Africa, Aisha Salem, available at Aisha.Salem@trade.gov. For more information on the IP Attaché program, please visit <http://www.uspto.gov/ip/global/attache/index.jsp>.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**, or visit <http://www.copyright.gov/>.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please

visit the “Resources” section of the STOPfakes website at <http://www.stopfakes.gov/resources>.

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.stopfakes.gov/businesss-tools/country-ipr-toolkits. The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contains contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

DUE DILIGENCE

[RETURN TO TOP](#)

Companies can minimize their risk of exporting to new customers or entering into business relationships with new partners by utilizing the U.S. Department of Commerce International Company Profile (ICP) program. An ICP provides up-to-date information that includes bank and trade references, names of corporate principals, key officers and managers, product lines, the number of employees, financial data, sales volume, reputation, and market outlook, all at a reasonable price. For more information, visit <http://export.gov/kuwait/contactus/index.asp>

Companies are also encouraged to seek local legal counsel for matters related to establishing a contractual agreement that is most beneficial to all parties.

LOCAL PROFESSIONAL SERVICES

[RETURN TO TOP](#)

English-speaking attorneys specializing in commercial law, investment legislation, joint ventures, corporate law, tax law, bankruptcy, public finance, banking corporations, criminal and civil law are available for consultation with U.S. businesses. Kuwait also has internationally recognized accounting firms in country. A list of specialized attorneys and accounting firms is available from the U.S. Commercial Service in Kuwait upon request.

WEB RESOURCES

[RETURN TO TOP](#)

For additional information on entering the Kuwaiti market, or if you have specific questions pertaining to your product or market niche, please visit:

Global Markets-Kuwait Web site: <http://export.gov/kuwait/>

U.S. Embassy Kuwait Web site: <http://kuwait.usembassy.gov>

Government of Kuwait: <http://www.e.gov.kw>

Kuwait Chamber of Commerce and Industry: <http://www.kuwaitchamber.org.kw>

American Business Council of Kuwait: <http://www.abckw.org/>

The GCC Intellectual Property Training Center in Kuwait: <http://www.gccip.org/Eng>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- Oil Field Equipment and Services
- Automobile and Automotive Parts
- Education and Training
- Medical and Surgical Equipment
- Homeland Security Infrastructure, Equipment and Services
- Information Communication Technology (ICT)
- Environmental Technologies and Services
- Agricultural Sector

OIL FIELD EQUIPMENT AND SERVICES

Overview

[Return to top](#)

Oil Production

Unit: Million / Barrel/Daily

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	247	247	247	247
Total Local Production	2,978	2,978	2,978	2,978
Total Exports	2,731	2,731	2,731	2,731
Total Imports	0	0	0	0
Imports from the U.S.	0	0	0	0
Oil Price (\$/barrel)	112	108.5	104.8	107.3

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local

Total Exports: Organization of the Petroleum Exporting Countries (OPEC)

Total Imports: -

Imports from U.S.:-

Kuwait is a major oil supplier and a member of the OPEC consortium. Oil comprises nearly half of Kuwait's GDP, around 95% of exports, and approximately 90% of government revenue. Kuwait holds approximately 7 percent of global oil reserves and has a current production capacity of about 3 million barrels per day.

The Kuwait Petroleum Corporation has announced its intention to increase oil production capacity to 3.5 million barrels per day (mmb/d) from the current announced capacity of 3 mmb/d by 2020. In addition, KPC has announced its intention to increase natural gas production to one billion cubic feet per day by 2015. Future production increases will

depend on actual implementation of several upstream projects including the development of heavy oil capacity of 60 MBOPD by 2017/18 and sustaining the production afterwards. In 2010, KPC has announced a \$90 billion investment plan to be executed within five years that is divided between the upstream and downstream sectors. In 2014 Kuwait National Petroleum Company and Kuwait Oil Company are expected to award projects worth more than USD 35 billion.

Planned refinery projects include the Clean Fuels Project, which would upgrade and expand the Mina Abdulla and Mina Al-Ahmadi refinery complexes. KPC has a plan to issue a tender in 2014 to build a fourth refinery, which would produce low sulfur fuel oil for the country's power plants. These two mega projects, the clean fuel and the fourth refinery, are jointly expected to exceed USD 30 billion. On February 2014, Kuwait National Petroleum Company awarded the Clean Fuels engineering, procurement and contracting (EPC) contracts to three international consortia. Flour was awarded the Mina Abdullah package II contract that is valued at USD 3 billion.

U.S. oil companies, manufacturers, and suppliers of oilfield equipment have always experienced strong receptivity in this Kuwaiti market. Because Kuwait Petroleum Corporation primarily uses American Petroleum Institute standards in their requests for proposals, U.S. manufacturers and suppliers benefit. The Kuwait Oil Company has an aggressive procurement division eager for U.S. technology.

Best Prospects/Services

[Return to top](#)

Although Kuwait does not allow private sector investment in the upstream oil market, the oil and gas sector will continue to be a leading sector for U.S. businesses in the future. Best prospects in this sector include, but are not limited to, consulting services, engineering, procurement and contracting (EPC) services, refining technologies, environment consultants, control and instrumentation systems, and secondary recovery systems. The demand for drilling services and equipment will be strong, due to Kuwait's goal of increasing its oil and gas production capacity over the next ten years. A pipeline is also planned as well as other petrochemical production facilities.

Opportunities

[Return to top](#)

Kuwait Oil Company (KOC) pre-qualifies manufacturers for critical categories of products. Prequalification applications can be obtained against a net payment of USD 50 through telex transfer to KOC's Bank Account No. 50112130301 [**SWIFT CODE: NBOKKWKW**] with National Bank of Kuwait, Ahmadi Branch, Kuwait for "each product category". Upon receipt of your transfer confirmation issued by your bank along with the products for which documents are required, KOC forwards the necessary documents to the vendor by courier. Vendors are also advised to provide their full street address, as courier services do not accept consignments with P.O. Box address.

Alternatively, prequalification applications can be obtained by a manufacturer's local agent in Kuwait against Cash Payment of KD 15 /= only (nonrefundable) from Room No. 15 located in Purchasing building, KOC Industrial Area, Ahmadi, Kuwait.

For additional questions, please contact Commercial Specialist Dina Al-Shawa at Dina.Al-Shawa@trade.gov

KUWAIT AUTOMOBILE AND AUTOMOTIVE PARTS MARKET

Overview

[Return to top](#)

Kuwait is a significant importer of new and used American automobiles and ranks as eighth largest U.S. export market for automobiles worldwide. The low cost of fuel combined with local tastes and preferences buttress demand for large-sized automobiles. With U.S. automobile exports to Kuwait valued at around \$1.2 billion in 2013, this is the single largest niche for U.S. exporters in Kuwait's consumer market. The penetration of U.S. vehicles is higher in Kuwait than in other GCC countries. Kuwait's private sector imports an estimated 90,000 to 110,000 cars per year. Of those, Kuwaiti consumers import approximately 1,600 GM full-size Sports Utility Vehicles (SUV), with the rest of the SUV market filled with other U.S., European, and Japanese branded cars. The total number of American-made vehicle imports in 2013 is estimated at 36,500. Kuwait is also an excellent market for high-end luxury automobiles. Due to strong GDP and high per capita income, demand for American vehicles and auto parts grew by 10% in 2013 and is expected to grow at the same rate in 2014.

Best Prospects/Services

[Return to top](#)

Kuwait is a lucrative market for large sized SUVs with heavy-duty shock absorbers, transmissions, cooling and air conditioning systems and tires that meet extreme temperatures and road conditions. Luxury automobile manufacturers will also find Kuwait to be an excellent market. Given Kuwait's leading position in supply chain and logistics services to Iraq and Afghanistan, companies such as Chrysler are selling large volumes of trucks to serve logistics companies catering to U.S. and coalition forces in the region. Most auto dealers note that the utility vehicle market demonstrates tremendous volume growth. The low and subsidized price of gasoline in Kuwait -- between \$0.80 and \$0.86 per gallon -- propels sales for SUVs and other large engine/gas hungry vehicles.

Opportunities

[Return to top](#)

The Kuwait International Fair hosts an annual automobile exhibition. Information can be found at www.kif.net. The largest Gulf auto show takes place in Dubai, UAE. Visit www.dubaimotorshow.com for more information.

SEMA Middle East Development Conference is the premier automotive specialty products trade event featuring specialty equipment. The show is held annually on March in Abu Dhabi, UAE. For more details, please visit <http://www.sema.org/middleeast>

Automechanika Dubai is the region's largest and most comprehensive trade and networking exhibition for the automotive aftermarket. The show will be held annually in June and dozens of American companies participate in this show. Please visit <http://automechanikadubai.com>

Automechanika Frankfurt is the world's leading Trade Fair for the Automotive Industry. The Automechanika offers a unique spectrum of products from the fields of automotive parts, car washing, workshop and filling-station equipment, IT product and services, accessories and tuning. The fair will be held in Frankfurt from September 16 – 20, 2014. Visit <http://automechanika.messefrankfurt.com> for more details.

Automobile, Light Trucks, Van and Utility Vehicles:

Unit: USD

	2010	2011	2012	2013	2014
Total Market Size (Billion) (*)	2.7	2.9	3.2	3.5	3.8
Total Local Production(*)	0	0	0	0	0
Total Exports	0	0	0	0	0
Total Imports (bn) (*)	2.7	2.9	3.2	3.5	3.8
Total import from U.S. (bn) (1)	0.8	0.9	1.05	1.2 (*)	1.4 (*)

Notes:

(*) Estimated

(1) Source: The United States Census Bureau (<http://www.census.gov>)**Automotive Parts and Supplies:**

Unit: USD

	2010	2011	2012	2013	2014
Total Market Size (mn) (*)	153	156	172	188	208
Total Local Production (*)	0	0	0	0	0
Total Exports	0	0	0	0	0
Total Imports (mn) (*)	153	156	172	188	208
Imports from the U.S.(mn)	96.0	76.8	63.1	62 (*)	63 (*)

Notes:

(*) Estimated, (bn) Billion, (mn) Million, (1) Source: The United States Census Bureau (<http://www.census.gov>)**Resources**

For additional information on automobiles and the auto parts industry, please contact Xavier Muthu at Xavier.Muthu@trade.gov

EDUCATION AND TRAINING**Overview**[Return to top](#)

An oil-rich market, Kuwait spends heavily to improve its education systems to prepare its increasing number of youth entering the competitive job market in the private-sector. On the infrastructure side, Kuwait has spent USD \$1.14 billion to upgrade educational facilities in Kuwait which includes USD \$882 million to rebuild old schools and create new facilities. On the education services side, the Ministry of Higher Education announced in 2014 an additional 1500 overseas scholarships for Kuwaiti students in the coming academic year, bringing the total number to 6000 scholarships each year. The uptick in scholarships is meant to address the volume of high school graduates seeking higher education abroad. This scholarship program covers up to 100 educational disciplines including 89 scientific disciplines, literary as well as interdisciplinary ones.

There is a move afoot to emphasize certain disciplines, specifically dentistry, nursing and pharmacy due to urgent demand. U.S. universities targeting Kuwaiti student have to approach the Cultural Office at Kuwait Embassy in Washington, DC to be part of its pre-approved list of universities. Universities must meet the specific criteria of the Cultural Office of the Kuwait Embassy in order to be included on the pre-approved list of universities for Kuwaitis.

In 2012, the Human Development Index report ranked Kuwait 5th in the GCC and 54th in the world. With literacy rate above 93%, Kuwait ranks among the highest in the Arab world. This is partly attributed to Kuwait's progressive education policy that encompasses all children, including those with special needs and females alike.

In total there are approximately 1250 public schools and private educational institutions. The Ministry of Education (MOE) has begun to revamp its entire curriculum starting at the primary school level. The project is to be phased in over a period of five years and will cover all subjects, from social sciences to mathematics and science. Industry experts expect the demand for training programs in a variety of fields will increase due to Kuwait's multi-billion dollar national development plan. On the information communication technology (ICT) side, the Ministry strives to incorporate the latest technology to empower schools to raise the level of ICT literacy. For example, in 2011, the MOE signed an Memorandum of Understanding (MOU) with Hewlett-Packard (HP), underscoring the government's long-term commitment to enhancing the role of technology in education. The MOE would work with HP to advance teaching skills through professional development opportunities; this will strengthen the integration of technology in K-12 schools. Out of the 20 international schools, four are affiliated American schools and the rest follow Canadian, British, French, or Indian curricula with English speaking programs.

There are nine universities in Kuwait in total. Kuwait University, the only public university, graduates 4000 students from a variety of programs each academic year. The other universities are private: namely, American University of Kuwait, Box Hill College, and Gulf University of Science and Technology to name a few.

On the vocational and non-degree training side, there is high demand. The Ministry of Defense contracts with a foreign language institute to offer English language instruction to its personnel. The Kuwait Chamber of Commerce and Industry (KCCI) delivers various training programs for the private and government sectors. The Public Authority for Applied Education and Training provides programs for graduates seeking employment at government ministries, departments, and agencies.

According to industry sources, the Government of Kuwait has created a USD 5.6 billion education market that is strong, steady, and offers many opportunities for U.S. universities and suppliers of products and services. The U.S. leads the pack with roughly 20% market share, followed by Japan, the U.K and other Far East countries. U.S. products are highly respected by the Ministry of Education, but companies seeking business here have to be competitive, flexible, and well-connected to compete for government projects.

Best Products/Services[Return to top](#)

- ESL and TOEFL
- Certified Programs: Executive Trainings, Management Trainings, IT Trainings, Security Training and Ongoing Professional Development
- Undergraduate, Pharmacy, Engineering, Dentistry and MBAs

Opportunities[Return to top](#)

The U.S. Embassy in Kuwait places significant emphasis on the promotion of American education and training institutions. The Embassy regularly promotes various education shows, including the American Education Expo, EduCare Expo, America-Mideast Educational and Training Services, Inc. (AMIDEAST), and Linden Tour. The Embassy also provides advice and counseling to students on applying to regionally-accredited U.S. education institutions.

Resources[Return to top](#)

For additional information on the education sector, please contact Xavier.Muthu@trade.gov or contact AMIDEAST at Kuwait@amideast.org.

MEDICAL AND SURGICAL EQUIPMENT**Overview**[Return to top](#)

Under Kuwait's USD 104 billion National Development Plan, major upgrades to the country's healthcare infrastructure and facilities are underway. Kuwaitis suffer from high rates of obesity, diabetes and cancer. According to the Global Burden of Disease Study, Kuwait is the fourth most obese country in the world, with over 50% of Kuwaiti women suffering from obesity. Although the population is young on average, the disease burden is a growing concern. Kuwaiti patients and their families travel frequently on government-financed trips to the U.S. and Europe for medical treatment.

Kuwait's public healthcare sector accounts for more than 80% of the healthcare spending in country. Currently, Kuwait's Ministry of Health is the owner, operator, regulator, and financer of the vast majority of healthcare services rendered, pharmaceuticals purchased, and medical equipment acquired in the country. The Government of Kuwait operates 15 general and specialized hospitals. The private sector is expected to grow moderately in the coming years, with private firms estimated to account for 15-20% of healthcare spending.

Kuwait aspires to create world-class healthcare providers as well as to improve the quality of healthcare in treatment centers such as Kuwait Cancer Center, Kuwait Chest Disease Hospital, Kuwait Radiology Center, Ibn-Sina Center for Ophthalmology and Dasman Research Center for Diabetes.

In 2012, the Ministry of Health and the Ministry of Public Works announced a USD 4.42 billion (KD 1.250 billion) project to replace or expand nine operating hospitals (five

general hospitals and four specialized hospitals) within the next ten years. The goal is to add 5,400 beds, 150 operating rooms, and 500 outpatient clinics to the current 7,095 hospital beds countrywide. In addition, the USD 1.1 billion (KD 304 million) Sheikh Jaber Al-Ahmed Al-Sabah Hospital, which is to be completed by end of 2014, will add another 1,200 beds. Currently, Kuwait has two hospital beds per 1,000 people. This represents a stark undersupply in the face to population growth and the rising disease burden.

The country has a well-established primary care network (polyclinics), which provides for a local clinic in every residential district of Kuwait. 19 new government polyclinics are projected to open in the next two years.

According to the Ministry of Health, the private sector will be instrumental in the overall development of the medical sector. The private healthcare market is estimated to grow by 15-20% in the coming years. Currently, a total of 12 private hospitals (totaling 1,038 hospital beds) provide private medical services in Kuwait. Several new private hospitals are expected to open in the next few years, adding 1,800 hospital beds. Although the government offers free healthcare services, patients are willing to pay a premium for private treatment in order to reduce waiting times and treatment schedules. In certain fields, such as obstetrics and gynecology, local patients pay a premium for high-end services offered by private hospitals.

The healthcare sector is witnessing some reform initiatives. One of the reforms includes broadening public-private partnerships and giving the private sector a larger role in the provision of healthcare services. Recently, public healthcare centers began referring patients to private medical care providers for services like IVF treatment and physiotherapy.

Such soaring healthcare spending reflects the GOK's priority to improve the quality of life for both citizens and expatriates and to treat more Kuwaiti patients in-country.

Best Products/Services

[Return to top](#)

- Medical-dental-lab equipment
- General hospital supplies
- Pharmaceutical products and specialized systems and applications
- Laser-treatment, nanotechnology and molecular medicine
- Laboratory testing, testing equipment and disposable tests
- Surgical instruments, diagnostic or laboratory equipment in the fields of orthopedics, trauma care, ophthalmology, cardiology, oncology, radiology or radiotherapy and healthcare information

Opportunities

[Return to top](#)

Opportunities for U.S. companies include a broad range of healthcare oriented products and services including medical equipment, hospital supplies, products and services, and specialized applications. Quality control is now being enforced at an increased level. It

is estimated that 15,000 healthcare professionals will be needed in the public sector alone in the coming years.

Interested companies should be prepared and have completed the regulatory formalities in order to pursue business opportunities once they are announced.

Resources

[Return to top](#)

For additional information, please contact Commercial Specialist Yousif Almahdi at Yousif.Almahdi@trade.gov

HOMELAND SECURITY INFRASTRUCTURE

Overview

[Return to top](#)

Kuwait plans to invest considerable sums in safety and security equipment until 2020. Kuwait defense and security forces will be looking to purchase surveillance equipment, perimeter security and control systems, security check point equipment (fences, crash barriers, cameras, access points), explosives and EOD, and contraband detection systems including scanning systems and consulting services in security planning.

Kuwait's Ministry of Interior alone commenced tendering in June 2011 for various Homeland Security Infrastructure projects, and will continue to do until 2015 until 2015. All necessary approvals have been issued and local companies are in the process of qualifying prior to tender releases.

Several projects currently under consideration include (additional) camera surveillance systems to be installed in and near most transportation infrastructure points, geospatial intelligence connectivity, maritime netting, and sensors to minimize security threats to vessels, facilities security of oil refineries and power plants (stations), production facilities and loading platforms including ports, and the hardware and software infrastructure needed to support a fully integrated C4ISR system.

Best Products/Services

[Return to top](#)

Potential opportunities for U.S. companies include: C4ISR system integration for multiple tie-ins to surveillance systems (cameras, gamma sensors, magnetometers, command and control communications); border fencing and intruder sensing, industrial access controls, maritime surveillance and protection, long-range detection, and airborne systems.

Opportunities

[Return to top](#)

Upcoming tenders will be announced for homeland security surveillance cameras, airport security upgrades, oil and oil-related infrastructure security upgrades, border control, and surveillance. Additional projects will range from system integration to hand-held monitoring devices and long-range detection equipment.

Resources[Return to top](#)

For additional information on opportunities, please contact the Global Markets in Kuwait at Yousif.Almahdi@trade.gov

Information Communication Technology (ICT)**Overview**[Return to top](#)

Kuwait's telecommunication services are rapidly improving, with five operational ISPs, three mobile telephone operators and many sub ISPs and authorized distributors covering the entire country. Kuwait's telecom industry has a high rate of mobile access, fiber optic cabling, satellite connectivity, Wi-Fi accessibility, advanced networks providing internet/ intranet services, fully operational and equipped base stations for network optimization quality throughout the country, and more.

In contrast to Kuwait's competitive mobile telecom sector, the fixed-line telecom business in Kuwait is still government-owned, unlike other countries in the GCC. Kuwait did not have a telecommunications regulatory authority (TRA) until April 2014, when Kuwait's parliament approved a bill to create a TRA. At present, the Ministry of Communications is fully responsible for regulatory matters for telecommunications in the country, beginning with approvals and licensing of new companies, new services/ products or the upgrading of some services and/or expanding.

The telecom sector in Kuwait is expected to grow over the next 10 years. U.S. companies interested in exploring and pursuing opportunities in this market are encouraged to identify suitable local partners. The procurement process with telecom operators and service providers is done through tenders and international companies need to be represented locally to participate and bid.

There are currently five operational Internet Service Providers (ISPs) in Kuwait: Qualitynet, Fasttelco, KEMS, Gulfnet and MADA Communication. There are three major mobile telephone operators, Zain, Qatari-owned Ooredoo (previously Wataniya Telecom) and VIVA. There are a number of sub-ISPs and authorized distributors who resell services of the operators and service providers. Zain and Ooredoo have expanded their operations in selective countries in the Middle East and North Africa.

Existing service providers focus on value-added services, such as maintaining quality in the deployment of the nationwide 3G and 4G mobile broadband network in Kuwait, which includes High Speed Downlink Packet Access to further increase download speeds and improve the user experience of new services.

Best Products/Services[Return to top](#)

The Kuwait telecom industry generally imports most equipment to operate, including satellite and cabling. Successful companies are suppliers of hardware, software,

general supplies, equipment and any other products related to operating a telecom company.

Opportunities

[Return to top](#)

Kuwait is in the process of privatizing its fixed-lines network as well as developing the country's fiber optic infrastructure. The tendering of these projects by the Ministry of Communications presents business opportunities for suppliers of hardware, software, general supplies, equipment and any/all other products related to operating a telecommunication infrastructure. U.S. companies interested in participating in the Ministry's tenders will require a local Kuwaiti partner.

Resources

[Return to top](#)

For additional information please contact Commercial Specialist Yousif Almahdi at Yousif.Almahdi@trade.gov

Environmental Technologies and Services

Overview

[Return to top](#)

Kuwait has embarked on an ambitious plan to substantially increase investment in environmental control and pollution reduction. Investment in environmental projects is expected to exceed USD 6 billion over the next ten years. Proposed projects include: oil lake cleanup (USD 2.3 billion), desert surface rehabilitation (USD 184 million), improvement of desert flora and fauna (USD 460 million) and ground water cleanup (USD 41.5 million). In addition, the government of Kuwait is considering expending USD 32 million on environmental awareness programs, new compliance for air and water emissions, hazardous waste treatment facilities, environmental information management systems, and training. Additionally, Kuwait Oil Company (KOC) intends to conduct its own remediation and clean-up programs, beginning with a pilot program of 24 hazardous contaminants found in the remediation area (USD 290 million). Other KOC work includes treatment of oil based mud, flare reduction, and water treatment (USD 350 million).

Best Products/Services

[Return to top](#)

Environmental projects in Kuwait have potential in the areas of ground water and soil decontamination equipment and services, solid municipal waste management and disposal, and hazardous waste treatment and management. Additionally, air emission monitors and control technology, environmental and chemical information management systems, Health, Safety and Environment (HSE) training, emissions inventorying and site inspections, lab testing, and industrial waste water treatment will also be in high demand.

Opportunities

[Return to top](#)

Various stakeholders are managing implementation of the UN-funded Kuwait Environmental Remediation Program (KERP). For example, KOC is managing oil lake remediation, and working under the Ministry of Electricity and Water (MEW) on groundwater resources remediation; In addition, the Public Authority for Agriculture and Fisheries Resources (PAAFR) is leading revegetation of damaged terrestrial ecosystems. The UN continues to advise Kuwait to effectively utilize this program. KOC has pre-qualified companies to pilot technology through their SEED (Sustainable Environmental and Economic Development) program and has issued a pre-qualification notice for a program management consultant to manage the KERP-funded environmental remediation of oil lakes and damaged terrestrial resources. The Kuwaiti government is updating its compliance requirements under a UNDP-funded Kuwait Integrated Environmental Management System (KIEMS) that will improve existing regulations. After years of environmental damage from neglect and mismanagement of the environment, Kuwait's population is beginning to recognize the need for improved living conditions and is creating a popular movement for better environmental protection.

Resources

[Return to top](#)

For more information on environmental projects contact Dina.AI-Shawa@trade.gov

AGRICULTURAL SECTOR

[Return to top](#)

The United States Department of Agriculture and the Regional Office of Agricultural Affairs in Dubai report on agricultural issues and statistics for member countries of the GCC countries, except for the Kingdom of Saudi Arabia and Bahrain. Agricultural research reports and statistics can be found on the U.S. Department of Agriculture Foreign Agricultural Service (FAS) website:
http://www.fas.usda.gov/scripts/w/bico/bico_frm.asp.

Kuwait is the third largest market in the GCC for U.S. food products. Imports from the United States reached USD 227 million in 2013. Consumer-ready products such as poultry, beef, snack foods, dairy products, processed fruits, and vegetables represent the best prospects for U.S. food exporters.

For additional information please contact the Foreign Agricultural Service in Dubai at atodubai@state.gov.

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 5: Trade Regulations, Customs, and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
- [Standards](#)
- [Trade Agreements](#)
- [Web Resources](#)

Import Tariffs

[Return to top](#)

The GCC established a customs union when it promulgated and implemented the Unified Customs Law and Single Customs Tariff. In accordance with GCC guidelines, the Council established a common external tariff of 5% for most imported goods. The government of Kuwait and other GCC countries reserve the right to assess certain exceptions until a uniform list of goods exempt from tariffs is adopted by all GCC member states. Kuwait officially approved the Single Customs Tariff on 1 April 2003, thereby setting a 5% import duty (CIF) on most goods. Exempt from the Single Customs Tariff are certain basic foodstuffs and medicines or medical items, which are duty free. Tobacco products are assessed a 100% duty.

Duties are to be paid in Kuwaiti Dinar (KD). The dinar is pegged to a basket of currencies. U.S. companies needing assistance in determining its harmonized tariff schedule code number or requesting information on specific products may contact either the Trade Information Center at 1-800-USA-Trade or any U.S. Department of Commerce Export Assistance Center located near them.

Valuation

[Return to top](#)

Kuwait implemented the WTO Customs Valuation Agreement (Article VII of the General Agreements on Tariffs and Trade) on 1 January 2001. In compliance with Article VII, Kuwait has agreed to five methods for determining customs valuation. The first criterion is based on transaction value (the price actually paid or payable plus costs and expenses). For transaction value to be applied, the parties must be unrelated. If Kuwait Customs rejects this valuation method, other valuation means can be employed such as transaction value of identical or similar goods, valuation on FOB, or CIF values.

Customs Union

[Return to top](#)

Kuwait allows entry of other GCC goods meeting the rule of origin criteria duty free. To receive preferential duty status, 40% or more of the value added of each product must originate in a GCC member country, with 51% of the producing firm's capital owned by citizens of a GCC country.

Trade Barriers

[Return to top](#)

The need for a Kuwaiti agent, distributor, or partner tends to add to the cost of selling goods in Kuwait.

Import Requirements and Documentation

[Return to top](#)

Licenses

Importers apply for import licenses from the Ministry of Commerce and Industry, and must be registered with the Kuwait Chamber of Commerce and Industry (KCCI). Licenses are valid for one year, are renewable, and allow for multiple shipments.

Import licenses for industrial machinery and spare parts are also required, which are issued by the Industrial Development Commission of the Ministry of Commerce and Industry. Various ministries and agencies also issue licenses for products including firearms, explosives, pharmaceuticals, and wild or exotic animals.

Only the local Agent is authorized to clear items at Kuwait Customs by showing an official letter of representation and usually a letter by the end-user.

Documentation

Kuwait documentation procedures require a commercial invoice, certificate of origin, packing list, and a bill of lading or airway bill to accompany all commercial shipments. Certain products may require additional licenses or certificates.

Commercial Invoice: One original and two copies are required, plus the certificate of origin. The invoice must contain an accurate description of the goods, marks and numbers, net and gross weights in metric measure, quantity, units, total value, and country of origin, and port and shipping information (name of vessel and transportation means).

Certificate of Origin: One original and two copies are required. If products are of U.S. origin, the invoice must also include a statement that the products being shipped are of U.S. origin and have been manufactured in the U.S. This rule would also apply to U.S. commonwealths or territories. If the products are of U.S. origin but contain foreign content, the document must include country of origin of the non-U.S goods and percentage of content.

Packing List: The packing list must provide detailed information on each item contained in any package and must be stamped with the company seal or stamp of the exporter or freight forwarder.

Bill of Lading: Three copies of the bill of lading are required. The Bill of Lading must show the name of the shipper, the name and address of the consignee, port of final destination, description of the goods, listing of freight and other charges, number of bills of lading in the complete set, and the acknowledgement signature that the carrier has confirmed receipt on board of the goods to be shipped.

The import license holder's name must appear on the bill of lading, and he/she must be a Kuwaiti national.

For questions pertaining to document authentication, please consult with your importer and freight forwarder or customs broker.

Special Documents

Veterinary Health Certificate: A health certificate is required for the importation of live animals and animal products. The certificate should state that the products were free of any contagious disease occurring within a radius of thirty miles for six months prior to export. Each shipment of meat or poultry must be accompanied by a statement that slaughtering has been conducted in conformity with Islamic law. The statement must be certified by the local Arab Chamber of Commerce and legalized by a Kuwaiti Consulate or Embassy.

Additional information may be obtained from the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) at Tel: (301) 734-7885 or Fax: (301) 734-6402 (Veterinary Services) and Tel: (301) 734-8537 or Fax: (301) 734-5786 (Plant Protection and Quarantine). APHIS inspects and certifies that plants, plant products, and live animals conform to health and sanitary requirements as mandated by the government of Kuwait. Exporters should also consult with importers and the appropriate ministry of the Kuwaiti government for additional information.

Sanitary/Phytosanitary Certificate: Required for plants and plant products. See above to contact the U.S. Department of Agriculture for additional information.

Certificate of Wholesomeness: Fresh and frozen meat and poultry products require a certificate of wholesomeness. Additional information is available from the U.S. Food Safety and Inspection Service, Export-Import Program Analysis, Department of Agriculture, Technical Service Center, Landmark Center, Suite 300, 1299 Farnam St., Omaha, Neb. 68102, Tel: (402) 221-7400 or (800) 233-3935; Fax: (402) 221-7438.

Certificate of Disinfection: A certificate of disinfection or sterilization must accompany shipments of used clothing intended for sale.

Foodstuffs Certificate: The producing company must provide certification in triplicate that the imported foodstuffs do not contain any form of cyclamate compounds. Certificates are sent to the Ministry of Health. Dairy products require a declaration that the product is free from harmful bacteria and other pathogens.

Certificate of Free Sale: Cosmetics, pharmaceuticals, and foodstuffs may require a certificate of free sale stating that the commodities in question are in free circulation in the country of export. A Certificate of Free Sale for cosmetics is available from the Office

of Cosmetics and Colors, Center for Food Safety and Applied Nutrition, U.S. Food and Drug Administration, 5100 Paint Branch Parkway, College Park, MD, 20740-3835 or Tel: (301) 436-1143. A Certificate of Free Sale for pharmaceuticals is available from the Office of Compliance, Center for Drug Evaluation and Research, U.S. Food and Drug Administration, 11919 Rockville Pike, Rockville, MD 20852, Tel: (301) 827-8983 or Fax: (301) 827-9069. Applicants should submit the label and complete formula of the pharmaceutical to be exported. The Certificate of Free Sale for foodstuffs is available from the Office of Plant and Dairy Foods and Beverages, Center for Food Safety and Applied Nutrition, U.S. Food and Drug Administration, 5100 Paint Branch Parkway, College Park, MD 20740; Tel: (301) 436-2028 or Fax: (301) 436-2651.

Exporters should consult with their local State Departments of Health or State Departments of Commerce to determine whether the respective state or municipality may also issue Certificates of Free Sale.

Certificate of Free Sale-Beauty and Health Products: Imports of cosmetics, beauty, and health products require a certificate proving that the manufacturer is licensed by an appropriate authority to produce the product, show that the product and ingredients are safe for use, that the company complies with Good Manufacturing Practices (GMP) of the country of origin, and evidence that the product is scientifically safe when used as directed. Import per unit for cosmetics and medicines can take up to 12-18 months.

U.S. Export Controls

[Return to top](#)

The Bureau of Industry and Security (BIS) at the Department of Commerce is charged with the development, implementation and interpretation of U.S. export control policy for dual-use commodities, software, and potentially sensitive technology. Website: <http://www.bis.doc.gov/>. Dual-use items subject to BIS regulatory jurisdiction have predominantly commercial uses, but also have military applications. The Bureau's regulations govern exports of dual-use items (the "Export Administration Regulations"), codified at 15 Code of Federal Regulations, Chapter 7. It also provides discussions of certain key regulatory policy areas, including policies governing exports of high performance computers, and encryption products. It includes descriptions of U.S. anti-boycott regulations, special regional considerations, multilateral export control regimes, and the technical advisory committees.

In addition to the U.S. export control policy for dual-use items, the BIS is also charged with the development, implementation, and interpretation of the anti-boycott provisions of the Export Administration Act. The anti-boycott provisions encourage, and in some cases require, U.S. persons to refuse to participate in foreign boycotts that the United States does not sanction. U.S. individuals are also required to report receipt of boycott-related requests.

Key Regulatory Areas

[Return to top](#)

[High Performance Computers](#)

[Encryption](#)

[Deemed Exports FAQ's | Process Improvements and Guidance](#)

[Anti-boycott Regulations](#)

[Regional Considerations](#)
[Multilateral Export Regimes](#)
[Technical Advisory Committees](#)
[Wassenaar Arrangement](#)

Export Administration Regulations

[Return to top](#)

The Government Printing Office (GPO) [Export Administration Regulation website](http://www.export.gov/regulation/index.asp) <http://www.export.gov/regulation/index.asp>, contains an up-to-date database of the entire Export Administration Regulations (EAR), including the Commerce Control List, the Commerce Country Chart, and a link to the Denied Persons List. EAR revisions are incorporated into this site within 48-72 hours and the EAR can be viewed, downloaded, and searched. This website also includes a table with all the Federal Register notices that revise the text of the EAR since its complete revision on March 25, 1996. In addition, users can subscribe to GPO's paper version of the EAR from this website. Users can also e-mail the Regulatory Policy Division directly from this website, to get answers to general questions about the EAR. Users can also attach a properly formatted advisory opinion (See Section 748.3c for the proper format) and forward it to BIS by e-mail.

Temporary Entry

[Return to top](#)

Samples and Advertising Material

Advertising material and samples may be admitted duty free if they are contained in packages that describe the advertising nature of the contents and identify the sender. Quantities considered to be in excess of reasonable requirements may be subject to normal customs duty. Exhibition materials are duty free.

Temporary imports into Kuwait can enter under a customs bond with the bond being remitted to the importer when the product or goods leave Kuwait. This process is known as Demonstration and Re-export. In the event any outdoor equipment is imported to Kuwait for testing, the best months are July and August when weather conditions are the toughest.

The Kuwait Free Trade Zone is located at Shuwaikh Port and allows for full trade, service, and industrial activities.

Labeling and Marking Requirements

[Return to top](#)

Labeling

Labels stating country of origin must be shown on all imported goods in such a manner that cannot be removed or altered. Information appearing on the label must conform to the information listed in the shipping documentation (see above). If it is impossible to label a product, i.e. a piece of fruit, a label affixed to the package or container is sufficient. If the product contains components from more than one country, the percentage from each country to the overall finished product should be noted.

Special Labels

Chemicals: Chemicals imported into Kuwait must be labeled with the product name, application, active ingredients, percentages of components and composition, United Nations' CAS-NO, side effects, storage/handling/hazmat instructions, environmental and occupational safety health risk, poison control, and disposal instructions.

Pharmaceuticals: Pharmaceutical products must be labeled with the batch or lot number, production date, expiration date, content description, storage information, usage information, indications and contra indications for use, and reference to the pharmacopoeia standards used.

Food Products: Labels must show: product and brand name; origin of animal fats; batch number; ingredients in descending order of proportion; additives; net contents in metric units; date of production; date of expiration; name and address of manufacturer or packer; country of origin; storage/preparation/handling instructions; and nutritional information where applicable. U.S. nutrition labels will generally be accepted. All meat and poultry products need to be labeled that the product has been slaughtered in accordance with Islamic Law. Information must be in Arabic, but multi-lingual labels are acceptable.

Marking

The outside marking on each package or container should identify the name of the shipper, the name and address of the consignee, the weight of the package, the number of the package if shipped as a part of a bulk shipment, and the country of origin. If products are of U.S. origin, "Made in the U.S.A." should be clearly marked on the package.

Prohibited and Restricted Imports

[Return to top](#)

Kuwait prohibits importing pork, alcoholic beverages, gambling machines, pornographic materials, and narcotics. Firearms and explosives require special import procedures.

Customs Regulations and Contact Information

[Return to top](#)

Regulations - See above

Customs Contact Information

General Administration of Customs
P.O. Box 16, Safat 13001 Kuwait
Tel: (965) 2484-3490
Fax: (965) 2483-8055
Email: q8customs@hotmail.com

Kuwait Customs-shipments arriving via air transport
Tel: (965) 2473-5993, Fax: (965) 2472-6683

Kuwait Customs-Statistics and Auditing Office
Tel: (965) 2484-3682 or 2484-0472, Fax: 2484-6531

Standards

[Return to top](#)

- [Overview](#)
- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Product Certification](#)
- [Accreditation](#)
- [Publication of Technical Regulations](#)
- [Labeling and Marking](#)
- [Contacts](#)

Overview

[Return to top](#)

The government of Kuwait, per its notification to the WTO Committee on Technical Barriers to Trade, eliminated pre-shipment standards inspection under the International Conformity Certification Program (ICCP) and is currently working with the GCC Standards Organization (Riyadh) to develop a region-wide standards regime to replace the ICCP. Discussions are ongoing with respect to product risk assessment classification, type of products to be required, standards conformity assessment, and as to whether the GCC would allow self-certification of low risk products and third-party evaluation from standards testing authorities outside of the GCC.

The Standards and Metrology Department of the Public Authority for Industry govern Kuwait's standards. Approximately 300 standards are currently being applied, with standards potentially derived from U.S., EU, ISO and GCC standards.

Kuwait has adopted several GCC standards, including that major white and brown household appliances operate without a transformer at 240V/50 Hz and that instruction manuals for durable goods and appliances be translated in Arabic.

Standards Organizations

[Return to top](#)

Standards in Kuwait are governed by the Standards and Metrology Department of the Public Authority for Industry.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <https://tsapps.nist.gov/notifyus/data/index>

Conformity Assessment[Return to top](#)

In March 2003, Kuwait implemented its International Conformity Certification Program (ICCP), a pre-shipment certification program requiring that covered products be tested and certified by a single private company before being imported into Kuwait.

In 2010, the GCC Standardization Organization (GSO) and Public Authority of Industry (PAI) announced that new standards for toys would be enacted in 2011. The new standards oblige local importers and distributors to place the GSO seal on all imported toys.

In 2010, PAI provided the GSO with feedback pertaining to the initiative introduced by Japan, Switzerland, and the U.S. regarding liberalizing trade in remanufactured goods. PAI affirmed no tariff barriers are being introduced.

Product Certification[Return to top](#)

See above.

Accreditation[Return to top](#)

N/A

Publication of Technical Regulations[Return to top](#)

N/A

Labeling and Marking[Return to top](#)

Chemicals: N/A

Pharmaceuticals: N/A

Food Products: N/A

Contacts[Return to top](#)

Government of Kuwait: Public Authority for Industry <http://www.pai.gov.kw>

Trade Agreements[Return to top](#)**Regional Trade Agreements**

In December 2008, Singapore and the GCC signed a free trade agreement (FTA), the GCC's first FTA. In June 2009, GCC countries concluded an FTA with the European Free Trade Association (EFTA), which includes the countries of Iceland, Liechtenstein, Norway, and Switzerland.

Customs Union: (See above)

Bilateral Investment Treaties

Kuwait has signed bilateral investment agreements with the following nations (although not all have been implemented): Austria, Belarus, Belgium, Bosnia, Bulgaria, China, Croatia, the Czech Republic, Denmark, Egypt, Ethiopia, Finland, France, Germany, Hungary, India, Iran, Iraq, Italy, Jordan, Kazakhstan, Korea Republic of), Latvia, Lebanon, Lithuania, Malaysia, Malta, Mauritania, Moldova, Mongolia, Morocco, Netherlands, Pakistan, Poland, Romania, Russia, Serbia, Slovenia, Spain, Sweden, Switzerland, Syria, Tajikistan, Tunisia, Turkey, the United Arab Emirates, and Yemen.

Trade and Investment Framework Agreement

Kuwait signed a Trade and Investment Framework Agreement (TIFA) with the U.S. in February 2004. The TIFA is the first step in developing economic reform and trade liberalization criteria to strengthen the U.S.-Kuwait economic relationship. At the first bilateral TIFA Council meeting, held in May 2004 in Washington, D.C., it was agreed that the TIFA process would provide for periodic technical discussions. Several areas in particular stood out as needing further attention: intellectual property rights (IPR), standards-related issues, taxation, and service and investment requirements. Technical experts on both sides continue to work on these areas.

Web Resources[Return to top](#)

Government of Kuwait: Public Authority for Industry <http://www.pai.gov.kw>

NIST Notify U.S. Service: <https://tsapps.nist.gov/notifyus/data/index/index.cfm>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 6: Investment Climate

- [Openness to Foreign Investment](#)
- [Conversion and Transfer Policies](#)
- [Expropriation and Compensation](#)
- [Dispute Settlement](#)
- [Performance Requirements and Incentives](#)
- [Right to Private Ownership and Establishment](#)
- [Protection of Property Rights](#)
- [Transparency of Regulatory System](#)
- [Efficient Capital Markets and Portfolio Investment](#)
- [Competition from State Owned Enterprises](#)
- [Corporate Social Responsibility](#)
- [Political Violence](#)
- [Corruption](#)
- [Bilateral Investment Agreements](#)
- [OPIC and Other Investment Insurance Programs](#)
- [Labor](#)
- [Foreign-Trade Zones/Free Ports](#)
- [Foreign Direct Investment Statistics](#)
- [Web Resources](#)

OPENNESS TO FOREIGN INVESTMENT

[RETURN TO TOP](#)

Major barriers to foreign investment remain, including regulations barring direct involvement of foreign entities from the petroleum and real estate sectors, long bureaucratic delays in starting new enterprises, agency and sponsorship requirements, and a local business culture heavily based on clan and family relationships that often preclude foreign participation. On November 26, 2012, the Amir enacted a new Commercial Companies Law by emergency decree to ease the process of doing business in Kuwait. This was subsequently amended in March 2013 and its executive by-laws were issued in September 2013. The new law replaces the Commercial Companies Law of 1960 and comes after 23 years of discussion and debate. The law calls for the creation of a “one-stop shop” to reduce the wait-times associated with incorporation and licensing procedures for the establishment of new businesses; the ability for shareholders to agree to share profits and losses in a ratio other than their percentage shareholding (maximum of up to 75% profit share in favor of foreigner) in the company; and a relaxing of the 51% requirement of Kuwaiti shareholding in the capital of Kuwaiti companies for certain types of companies or specific sectors. The law also encourages the growth of the Islamic finance market by allowing the incorporation of special purpose companies such as those relating to sukuks, bonds, and convertible bonds. It also permits the creation of sole-proprietorship establishments and shareholding companies without Amiri decree.

The Direct Foreign Capital Investment Law of 2001 is designed to promote FDI in Kuwait. It authorizes tax holidays of up to ten years for new foreign investors; facilitates the entry of expatriate labor; authorizes land grants and duty-free import of equipment; provides guarantees against expropriation without compensation; ensures the right to repatriate profits; and, protects the confidentiality of proprietary information in investment applications, with penalties for government officials who reveal such data to unauthorized persons. New investors are protected against any future changes to the law. Full benefit of these incentives, however, is linked to the percentage of Kuwaiti labor employed by the new venture. The investor is also obliged to preserve the safety of the environment, uphold public order and morals, and comply with instructions regarding security and public health.

Under Kuwait's Direct Foreign Capital Investment Law of 2001, foreign firms are permitted 100% foreign ownership in certain industries including: infrastructure (water, power, waste water treatment, and communications); insurance; information technology and software development; hospitals and pharmaceuticals; air, land, and sea freight; tourism, hotels, and entertainment; housing projects and urban development; and, investment.

Projects involving oil and gas exploration and production are not authorized for foreign investment in Kuwait, however, due to the prevailing interpretation of Article 21 of the Kuwaiti Constitution that limits ownership rights of natural resources.

In a move to redouble efforts to attract Direct Investment and to increase industrial promotion, the National Assembly in May 2013 amended the 2001 law and passed a new FDI law calling for the establishment of the Kuwait Direct Investment Promotion Authority to replace the Kuwait Foreign Investment Bureau. (The provisions of the 2001 law are still valid.) Providing what the Government of Kuwait describes as an A-to-Z roadmap for doing business in Kuwait, the 2013 law aims to improve Kuwait's challenging investment climate and to support the growth of commercial entities in Kuwait. Among its key initiatives is the creation of a "one-stop shop" for licensing and incorporation within the Ministry of Commerce and Industry (MOCI) intended to simplify the complex Kuwaiti bureaucracy that too often deters U.S. businesses from investing in Kuwait. The new "one window system" will place representatives from all relevant Government of Kuwait ministries in one location to streamline the application and licensing processes for new businesses in Kuwait. In April 2014 the MOCI approved the regulations for the law, which are now awaiting Cabinet ratification and publication in the Kuwait official gazette. The revised "negative list" of industries closed to foreign investment is still being drafted, and the "one-stop shop" window is not yet open.

CONVERSION AND TRANSFER POLICIES

[RETURN TO TOP](#)

Since May 2007, the Kuwaiti dinar has been linked to an undisclosed basket of major world currencies. There are no restrictions on current or capital account transactions in Kuwait, beyond the requirement that all foreign exchange purchases be made through a bank or licensed foreign exchange dealer. Equity, loan capital, interest, dividends, profits, royalties, fees and personal savings can all be transferred in or out of Kuwait without hindrance. Under the Direct Foreign Capital Investment Law, investors are also permitted to transfer all or part of their investment to another foreign or domestic investor and there are no restrictions on cash transfers.

EXPROPRIATION AND COMPENSATION[RETURN TO TOP](#)

There have been no recent cases of expropriation or nationalization involving foreign investments in Kuwait. As a safeguard, the Direct Foreign Capital Investment Law guarantees against expropriation or nationalization, except for the public benefit, in accordance with existing laws; in this case, compensation will be provided without delay for the real economic value of the project at the time of expropriation. The last case of nationalization occurred in 1974, when Kuwait's oil industry was nationalized, and the Government of Kuwait negotiated with BP and American Gulf Oil Company to purchase the 40% share owned by the two companies.

DISPUTE SETTLEMENT[RETURN TO TOP](#)

The Direct Foreign Capital Investment Law stipulates that Kuwaiti courts alone are responsible for adjudicating any disputes involving a foreign investor and other parties, although arbitration is permitted. Few contracts in Kuwait contain clauses specifying recourse to traditional commercial arbitration. According to the Central Bank of Kuwait, the Kuwaiti judicial system recognizes and enforces foreign judgments only when reciprocal arrangements are in place. Kuwait is a signatory to the International Center for the Settlement of Investment Disputes (ICSID, i.e., the Washington Convention) and to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. Under Kuwaiti law, selling securities without a local license nullifies the transaction.

PERFORMANCE REQUIREMENTS AND INCENTIVES[RETURN TO TOP](#)

Law No. 37 of 1964 (Articles 43 and 44) specifies the use of local products when available and prescribes a ten percent price advantage for local firms in government tenders.

There are no specific restrictions on foreign participation, public or private, in government-financed or subsidized research and development. The Kuwait Institute for Scientific Research (KISR) has expressed interest in working with foreign firms and national laboratories in establishing new programs and buildings for renewable energy and energy efficiency programs. Currently, various U.S. governmental and non-governmental entities are engaged in scientific cooperation in Kuwait.

Passports and visas are required for U.S. citizens traveling to Kuwait. U.S. citizens can obtain visitor visas at the port of entry in Kuwait, and at this time, U.S. citizens are not charged a fee. Passports must be valid for at least six months from the date of entry into Kuwait. Employment in Kuwait requires the issuance of a work visa prior to arriving in the country. For further information on entry and exit requirements, travelers should contact the Embassy of the State of Kuwait at 2940 Tilden Street NW, Washington, DC 20008, telephone (202) 966-0702.

In 1993, Kuwait publicly announced its decision to end enforcement of the secondary and tertiary Arab League boycotts of Israel. Although there are occasional reports that

some tender requests contain boycott clauses reportable under U.S. anti-boycott laws, these usually result from clerical errors or the use of outdated forms. Kuwait maintains an open boycott office in its Customs Department, and has stated that it will wait for Arab League action before eliminating the primary boycott of Israeli-owned companies and goods produced in Israel.

RIGHT TO PRIVATE OWNERSHIP AND ESTABLISHMENT

[RETURN TO TOP](#)

Rights to private ownership and establishment are respected in Kuwait, although foreigners face selected restrictions. Licenses from the Ministry of Commerce and Industry and appropriate local municipality are required for the establishment of all new companies, and government authorization is required for any incentives offered by the Direct Foreign Capital Investment Law. The new Commercial Companies Law is intended to simplify the process for registering new companies in Kuwait and reduce wait-times associated with starting a new business, but a law mandating that a Kuwaiti national own at least 51 percent of all local companies remains in place. As stated above, foreign ownership is restricted or prohibited in some sectors of the economy, and non-GCC citizens may not own land in Kuwait. Some foreign investors cite this latter restriction as a major disincentive to foreign direct investment and to launching new businesses in Kuwait.

Kuwaiti law severely restricts the types of collateral to which creditors may have recourse in the event of default by a borrower. Banks may not foreclose on residential real estate property or personal possessions in the event of default, although they may sue the borrower for the balance due under the loan contract. Borrowers typically pledge a portion of their future severance benefits as collateral for a bank loan.

PROTECTION OF PROPERTY RIGHTS

[RETURN TO TOP](#)

Intellectual property rights (IPR) in Kuwait are currently protected by a series of copyright and trademark laws adopted in 1999 and 2001. Kuwait is a member of the World Trade Organization (WTO), World Intellectual Property Organization (WIPO), and signatory to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement.

Kuwait remains on the Watch List in the 2013 Special 301 Report, largely due to its non-WTO-compliant copyright law and its cessation of most copyright and trademark enforcement actions. Kuwait's current copyright law does not provide for deterrent criminal penalties and there are insufficient resources allocated to enforcement. The U.S. government has provided technical assistance on several iterations of developing a new draft law to address these issues; however, the U.S. government remains deeply concerned that the draft does not yet meet international standards or WTO requirements and has not moved forward to the Council of Ministers or National Assembly. According to the International Intellectual Property Alliance (IIPA), the software piracy rate in Kuwait was 59% in 2011, representing a commercial value of unlicensed software of \$72 million. Until Kuwait implements a new copyright law that meets international standards, it is unlikely that its Special 301 status will change.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en>.

TRANSPARENCY OF REGULATORY SYSTEM

[RETURN TO TOP](#)

While Kuwait's open economy has generally promoted a competitive market, Kuwait has not developed effective antitrust laws to foster competition. When government intervention occurs, however, it is usually to the benefit of Kuwaiti citizens and Kuwaiti-owned firms.

EFFICIENT CAPITAL MARKETS AND PORTFOLIO INVESTMENT

[RETURN TO TOP](#)

Foreign investors can obtain credit through local banks and terms are determined by the foreign investor's collateral level and the intended use of the financing. With the help of government subsidies, the financial markets, and particularly the commercial banks, operated throughout the 1980s primarily to collect funds to re-lend to favored customers. Payment discipline was lax and real economic losses common. Under a bank stabilization program introduced in 1992, the Central Bank of Kuwait purchased all of the outstanding domestic credits of Kuwait's commercial banks, while eliminating all guarantees for profits, equity, and liabilities other than the banks' deposit liabilities. Henceforth, all losses would stay with the banks, which would be responsible for the management of all their assets and liabilities. In April 2013, the National Assembly passed a law requiring banks to write off interest on personal and consumer loans for Kuwaiti citizens, and to reschedule the principal debt over a minimum of 10 years, in exchange for government deposits. Under the law, both government and parliament reached a settlement to refer borrowers to the Family Support Fund, a public debt-relief program that allows the government to purchase outstanding loans acquired by Kuwaiti citizens prior to June, 2013. The program has helped to relieve more than 65,000 borrowers to date through restructuring debt terms without interest, though the program divests banks of anticipated revenues.

Banking Sector

In January 2014, the Central Bank reported that the total assets for the banking sector equaled KD 51.5 billion (\$180 billion). Twenty-one banks currently operate in Kuwait: five (conventional) banks, five Islamic banks, ten foreign banks, and one specialized bank. Conventional banks include: market leader National Bank of Kuwait (NBK), Commercial Bank of Kuwait (CBK), Gulf Bank, Al-Ahli Bank of Kuwait, and Burgan Bank. Sharia-compliant banks include Kuwait Finance House (KFH), Boubyan Bank, Kuwait International Bank (formerly Kuwait Real Estate Bank), Al-Ahli United Bank (formerly Bank of Kuwait Middle East), and the newly established Warba Bank. In addition, the Industrial Bank of Kuwait, a government-owned bank, provides medium and long-term financing to industrial companies and Kuwaiti citizens through customized financing packages.

Confidence in the local banking sector was affected by the global financial crisis and Gulf Bank's announcement in October 2008 that it had incurred large losses. Following this announcement, the Council of Ministers and Parliament promulgated legislation

guaranteeing deposits at local banks in an effort to rebuild confidence in Kuwaiti banks. The Central Bank worked with Gulf Bank and key shareholders to orchestrate a \$1.4 billion recapitalization subscription, with the KIA acting as the buyer of last resort. Since 2008, the banking sector, including Gulf Bank, has seen a steady recovery and regained liquidity.

The banking sector was opened to foreign investment under the Direct Foreign Capital Investment Law. The Central Bank has granted licenses to ten foreign banks thus far: BNP Paribas and HSBC, both of which began operations in 2005; Citibank and the National Bank of Abu Dhabi, which commenced operations in 2006; Qatar National Bank, which began operations in 2007; Doha Bank, which opened an office in 2008; Dubai-based Mashreq Bank, which commenced operations in 2009; and the Bank of Muscat and the Riyadh-based Al Rajhi Bank (the largest Sharia-compliant bank in the world) in 2010. The Bank of Bahrain and Kuwait (BBK) has operated in Kuwait since 1977. In June 2012, the Industrial and Commercial Bank of China (ICBC) received preliminary approval from the CBK to open a branch as the eleventh foreign bank to operate in Kuwait.

In March 2013, the Central Bank of Kuwait announced that foreign banks would be able to open multiple branches in Kuwait on a case-by-case basis. Until this time, foreign banks could only open one branch. The new rules also allow foreign lenders to open representative offices. Kuwaiti law restricts foreign banks from offering investment banking services, and prohibits them from competing in the retail sector. Foreign banks are also subject to a maximum credit concentration equivalent to less than half the limit of the largest local bank, and are expressly prohibited from directing clients to borrow from external branches of their bank or taking any other measures to facilitate such borrowing.

Regulatory Norms for the Banking Sector

The quality of local banks varies from internationally recognized to weak. Some bank assets have been non-performing in the past. The balance sheets of some local banks are heavily weighted toward lower-yielding government bonds. Legal, regulatory, and accounting systems are opaque but generally consistent with international norms. The Central Bank of Kuwait requires annual reports from local banks to meet international accounting standards. U.S. businesses are advised to seek local legal and financial advice for complicated investments and transactions.

COMPETITION FROM STATE OWNED ENTERPRISES

[RETURN TO TOP](#)

Kuwait's economic policy remains oil based and state dominated. There are few fully state-owned enterprises outside the upstream oil sector, with the exception of Kuwait Airways. The government does own shares in Kuwaiti shareholding companies across the spectrum of the economy, either through KIA or Kuwait's Public Institution for Social Security.

In July 2001, the Kuwaiti government announced an ambitious five-year privatization program. However, the plan, which called for privatizing gas station outlets, part or all of Kuwait Airways, postal services, certain telecommunications services, the Ports

Authority, the Public Transport Company, and the power and water sectors, was, for the most part, not implemented.

In May 2010, the Parliament passed a new privatization law, creating a higher privatization council to be headed by the Prime Minister. The law stipulates that a public shareholding company should be established before privatizing any public service. Under the law, forty percent of any such company's shares will be sold to citizens in an initial public offering. Twenty percent of the shares will be held by the government, with five percent distributed to existing Kuwaiti employees. The remaining thirty five percent will be sold at an auction to a local or foreign investor. Kuwaiti employees will have the right to retain their jobs in the privatized service for at least five years with the same salary and benefits.

With the exception of the extractive energy sector, where private ownership is prohibited, state-owned enterprises do not appear to have material advantages in business operations. Arguably, the state-owned enterprises, which are subject to strict government tendering rules and the oversight of the State Audit Bureau and Kuwait's Parliament, are far less nimble than their private sector competitors.

The Kuwait Petroleum Corporation (KPC), the umbrella for all of Kuwait's state-owned oil companies, is governed by a Board of Directors, with the Minister of Oil as the chairman. It also reports to a policymaking and oversight body, the Supreme Petroleum Council, headed by the Prime Minister, with participation from both private sector and government officials. The operating budget for KPC and its subsidiaries are subject to parliamentary approval.

Kuwait Investment Authority

Kuwait's Sovereign Wealth Fund, the Kuwait Investment Authority, manages the Kuwait General Reserve Fund and the Kuwait Future Generations Fund. In March 2012, the Amir enacted a budgetary decree to increase the portion of state oil revenues allocated to the Future Generations Fund from 10 to 25 percent. KIA's management reports to a Board of Directors, the members of which are appointed by the Council of Ministers. The Board is chaired by the Minister of Finance and includes seats allocated to the Minister of Oil, the Central Bank Governor, the Undersecretary of the Ministry of Finance, and five representatives from Kuwait's private sector, three of whom are not allowed to hold any other public office. The five-member Executive Committee, of whom at least three are private sector appointees, is formed by the Board. The Chairman of the Executive Committee is the Managing Director, who is appointed by the Board. The primary role of the Executive Committee is to assist the Board of Directors in setting strategic goals and objectives for KIA.

KIA maintains both an internal audit office (which reports directly to the Board of Directors) and an external audit team. Additionally, KIA is overseen by a Board Audit Committee comprising two private sector Board members and chaired by the Minister of Finance. The Managing Director participates in Board Audit Committee meetings as an observer. The external auditor, the State Audit Bureau (SAB), audits KIA on a continuous basis and issues an annual report to the National Assembly. Various committees in the National Assembly, such as the Finance and Economic Committee, the Budget Committee, and the Closing Accounts Committee, review the comments of the SAB audits.

KIA is prohibited by law from publicly discussing the size of its holdings and avoids any but the most general discussions of asset allocation. KIA holds closed-door presentations on the full details of all funds under its management, including its strategic asset allocation, benchmarks and rates of return, for the Council of Ministers and the National Assembly.

CORPORATE SOCIAL RESPONSIBILITY

[RETURN TO TOP](#)

Corporate social responsibility (CSR) in Kuwait is largely manifested through contributions to local charities and causes. Companies and the general public are aware of corporate responsibility as it pertains to contributions to local charities, and consumers hold charitable giving in high regard. Dow in Kuwait actively sponsors the Lothan Youth Achievement Center, which provides educational and social programs aimed at developing and empowering Kuwaiti youth. Kuwait National Petroleum Company won the Arabia Network Award for CSR champions from MENA region in 2012, while Kuwait's EQUATE Petrochemical Company won the top Middle East CSR award for the third consecutive year in 2013.

POLITICAL VIOLENCE

[RETURN TO TOP](#)

Spontaneous and planned demonstrations take place in Kuwait from time to time in response to world events or local developments. At times, even demonstrations intended to be peaceful can turn confrontational and possibly escalate into violence. U.S. citizens are encouraged to remain in contact with the Embassy for up-to-date information.

CORRUPTION

[RETURN TO TOP](#)

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. Kuwait is party to the United Nations Convention against Corruption, which was signed on 2003.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. Kuwait is not a party to the OECD Antibribery Convention, but generally all countries prohibit the bribery and solicitation of their public officials.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of

corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>). Kuwait is not a party to the OAS Convention.

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) Kuwait is not a party to the Council of Europe Criminal Law and Civil Law Conventions.

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and transnationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. Kuwait does not have a FTA with the United States.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department’s Advocacy Center and State’s Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy

personnel and through the Department of Commerce Trade Compliance Center “Report A Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice’s (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department’s present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ’s Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Public sector corruption, including bribery of public officials, remains a major challenge for U.S. firms operating in Kuwait. Transparency International’s 2013 Corruption Perceptions Index (CPI) ranked Kuwait 69 out of 177 countries. Kuwait was ranked eighth in the Arab region out of 19 countries and the sixth among the Gulf Nations after UAE, Qatar, Bahrain, Oman, and Saudi Arabia. Kuwait’s CPI score of 43 (out of 100) indicates it has a “serious corruption problem,” according to Transparency International.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/departement/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

BILATERAL INVESTMENT AGREEMENTS

[RETURN TO TOP](#)

Kuwait has signed bilateral investment agreements with 45 nations, but not with the United States. Kuwait signed a Trade and Investment Framework Agreement (TIFA) with the United States in February 2004. The TIFA is the first step in developing economic reform and trade liberalization criteria to strengthen the U.S.-Kuwait economic relationship. At the first bilateral TIFA Council meeting, held in May 2004 in Washington, D.C., it was agreed that the TIFA process would provide for periodic technical discussions on issues including intellectual property rights, standards-related issues, taxation, and service and investment requirements. The last TIFA Council meeting took place in 2008. In October 2009, Kuwait expressed interest in a Bilateral Investment Treaty with the United States. The U.S. Government and the Government of Kuwait continue to be engaged in exploring discussions on the topic. In January 2013, Kuwait's Ministry of Finance provided the United States with a draft treaty entitled "Agreement for

the Encouragement and Reciprocal Protection of Investments” and proposed bilateral discussions.

On October 2012, the United States signed a TIFA with the Gulf Cooperation Council, comprised of Kuwait, Saudi Arabia, the United Arab Emirates, Qatar, Bahrain, and Oman. The Framework Agreement is intended to supplement and build upon U.S. engagement with individual member states on bilateral issues. In April 2014, Kuwait’s Parliament ratified the U.S.-GCC TIFA Agreement, however it is pending enactment through a Cabinet decree.

OPIC AND OTHER INVESTMENT INSURANCE PROGRAMS [RETURN TO TOP](#)

In 1989, Kuwait concluded an agreement with the United States on investment guarantee programs, which facilitated the extension of programs from the Overseas Private Investment Corporation (OPIC) to Kuwait. Kuwait is also a member of the Multilateral Investment Guarantee Agency (MIGA). Currently there are no OPIC programs in Kuwait.

LABOR [RETURN TO TOP](#)

Kuwait has a diverse labor force, with expatriate laborers accounting for approximately 65% of Kuwait’s resident population and approximately 85% of all employees. Kuwaiti nationals occupy most of the top management positions in the private and public sectors. Due to a welfare system that includes guarantees for government jobs, unemployment among Kuwaitis is less than five percent, but it is rising as a result of a growing influx of young Kuwaitis entering the labor force (20,000 to 25,000 annually). The new entrants are reluctant to enter the private sector and cannot be absorbed by the government, where underemployment remains a serious problem. The Government of Kuwait currently employs approximately 90% of the Kuwaiti workforce.

Expatriate Workers

A number of white-collar workers from OECD countries in Kuwait occupy primarily high-skilled positions and many middle management positions are occupied by Egyptian, Lebanese, and South Asian nationals. The vast majority of expatriate workers are low-paid laborers from other Middle Eastern countries, South Asia, and the Philippines, and abuse of the sponsorship system is widespread. Since liberation, the Government of Kuwait has adopted inconsistent policies intended to limit and discourage growth of the resident expatriate population. The government has instituted a quota system on work permits designed to protect workers by preventing Kuwaitis from importing unnecessary workers and then leaving those workers in the street. Unskilled foreign workers are restricted from transferring from one sponsor to another within the private sector for a minimum of two years, but college graduates may transfer after one year. The government also levies fees on expatriate workers and their families to raise the cost of employing foreign workers.

Kuwaiti Labor Laws

Kuwaiti workers have the right to organize and bargain collectively, but Kuwaiti law restricts the right of freedom of association to only one union per occupational trade and

permits only one federation, the Kuwait Trade Union Federation (KTUF), which comprises 15 of the 47 licensed unions. Foreign workers, who constitute the vast majority of the work force, are permitted by law to join unions only as non-voting members after five years of work in the particular sector the union represents. The right to strike is also recognized for private sector workers, although provisions calling for compulsory negotiation and arbitration in the case of disputes limit that right. Although public sector workers do not have the legal right to strike, several such strikes have occurred in the past two years. Kuwaiti labor law prohibits anti-union discrimination.

Separate Kuwaiti labor laws establish work conditions in the public and private sectors, with the exception of the oil sector. Forced labor is prohibited and the minimum age for employment is 18 years in industrial or dangerous jobs. Some youth under the age of 18 may be allowed to work part-time in some non-industrial positions. A two-tiered labor market ensures higher wages for Kuwaiti employees while foreign workers, particularly unskilled laborers, receive substantially lower wages. In the private sector, the minimum wage is KD 60 (\$210) per month. In the public sector; the current minimum wage is KD 250 (\$875) per month for Kuwaiti bachelors and KD 325 (\$1137.5) per month for married Kuwaitis, plus KD 50 (\$175) for each child, compared to a standard minimum wage of KD 90 (\$315) for non-Kuwaitis in the public sector. Kuwaitis employed in both the private and public sectors also receive substantial government subsidies on top of their base salaries. The amended labor law of February 2010 did not change the previous work week limitation from 48 hours, but extended annual leave to 30 days after 6 months of employment. However, the law is not consistently enforced and disputes over the payment of salaries and contract-switching are common, especially among unskilled workers. Current labor laws do not apply to domestic workers.

The International Labor Organization's (ILO) Committee of Experts has reiterated its longstanding criticisms of the discrepancies between the Kuwaiti Labor Code and ILO Conventions 1, 30, and 87 regarding work hours and freedom of association. Areas criticized by the ILO include the prohibition of more than one trade union for a given field; the requirement that a new union have at least 100 workers; the regulation that workers must reside in Kuwait for five years before joining a trade union; the denial of the right to vote and to be elected for foreign trade unions; the prohibition against trade unions engaging in any political or religious activity; and the reversion of trade union assets to the Ministry of Social Affairs and Labor in the event of dissolution.

Human Rights and Trafficking

The State Department's annual Trafficking in Persons Report highlights the vulnerability of domestic workers to exploitation. Partly because of the plight of domestic workers and other workers in Kuwait, the State Department's 2013 Trafficking in Persons Report listed Kuwait as a "Tier 3" country of concern. In February 2010, Parliament enacted a private-sector labor law, updating the antiquated 1964 law. The new law provides private-sector workers with longer leave, higher severance pay, and maternity leave. It requires payment of salaries to bank accounts, rather than cash transfers. It also contains a provision for the establishment of a state-owned recruitment company to oversee the importation of foreign labor, a move intended to eliminate visa trading and illicit recruitment of foreign workers, which has not yet been established. However, the new law's provisions do not apply to domestic workers, and no legislation has subsequently been passed to regulate standards for treatment of household workers.

In June 2007, Parliament ratified a law that bans women from working from 8:00 p.m. to 7:00 a.m., except for those working in the medical sector and other sectors approved by the Minister of Social Affairs and Labor. The law also bans women from working in jobs that are hazardous, rough, and damaging to health, as well as in “immoral jobs that abuse women’s femininity” and in places that exclusively serve men.

FOREIGN-TRADE ZONES/FREE PORTS

[RETURN TO TOP](#)

In July 1995, Parliament passed Law No. 26 authorizing the Ministry of Commerce and Industry (MOCI) to establish free trade zones in Kuwait. In May 1998, the privately owned National Real Estate Company (NREC) signed a contract with the Ministry to operate, manage, and market the 50 square-kilometer Kuwait Free Trade Zone (KFTZ) at Shuwaikh port, which was inaugurated in November 1999. Many restrictions faced by foreign firms, such as corporate taxes, technically do not apply to offices or plants within the KFTZ. Some 90 percent of space within the KFTZ has been leased and the majority of firms operating in the zone are Kuwaiti. However, both Kuwaiti and foreign businesses report that the Shuwaikh Free Trade Zone is subject to a wide array of regulations by both the central and municipal governments.

In November 2006, the Cabinet Council issued Resolution No. 507/2006 terminating the NREC’s contract and suspending all its activities at the FTZ area, due to accusations that the NREC was mismanaging the FTZ. The NREC appealed this decision in the Kuwaiti courts, but the matter has not been resolved. In December 2013, MOCI finalized a new master plan for the FTZ area and started issuing commercial licenses.

FOREIGN DIRECT INVESTMENT STATISTICS

[RETURN TO TOP](#)

Kuwaiti investment abroad consists of portfolio investment by KIA and direct investment by other government entities. Details about the composition and value of these assets, are not publicly available, however the Sovereign Wealth Fund Institute estimates that KIA manages over \$410 billion in assets.

According to the 2012 World Investment Report (published by the secretariat of the United Nations Conference on Trade and Development (UNCTAD), Kuwait attracted \$1.851 billion in FDI in 2012, compared with FDI outflows of \$7.561 billion, making Kuwait the highest overseas investor in the GCC. U.S. enterprises invested \$331 million in Kuwait in 2012, up from 158 million in 2011.

SelectUSA statistics show that Kuwait is the 13th fastest growing source of FDI in the United States, with a compound annual growth rate of 15% between 2008 and 2012. From 2003 to 2010, seven investment projects were announced by Kuwaiti firms in the United States. The transportation sector receives the largest amount of investment, comprising over 50% of all announced projects from Kuwait in America.

CONTACT POINT AT POST

[RETURN TO TOP](#)

For additional information, please visit:

Global Markets-Kuwait Web site: <http://export.gov/kuwait/>
U.S. Embassy Kuwait Web site: <http://kuwait.usembassy.gov>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
- [Web Resources](#)

HOW DO I GET PAID (METHODS OF PAYMENT)

[RETURN TO TOP](#)

Kuwaiti banks offer the full range of financial services needed to conduct commercial transactions or develop projects in Kuwait. Letters of Credit (LCs) are traditional instruments for private-sector transactions. LCs may be confirmed by a prime U.S. bank for additional exporter assurance. As U.S. exporters develop longer-term relationships and there is greater trust in the credit-worthiness of all parties, companies may be willing to accept documents against payment (d/p) or documents against acceptance (d/a). Deferred payment schedules are not common except in cases of large transactions where supplier financing plays a role.

Companies bidding on government of Kuwait contracts should pay careful attention to the way proposals are prepared and should strictly follow the administrative specifications. Financing costs and foreign exchange rate risks, wherever applicable, should be factored into the bid price. Bids which do not comply with administrative specifications (including financial criteria) are generally rejected. Government tenders often require bid and performance bonds. Bid bonds have to be issued by a local bank, and range between 2% and 5% of the value of the bid. The performance bond will replace the bid bond once the tender is awarded, and is 10% of the value of the contract.

The local representative, sponsor or account executive will pay foreign companies involved in major government-tendered projects. The concerned ministry or department will issue a check in honor of the beneficiary to be drawn at a local bank. In turn, the beneficiary will remit the amount due to the foreign company (contractor).

HOW DOES THE BANKING SYSTEM OPERATE

[RETURN TO TOP](#)

Banks are under the supervision of Kuwait Central Bank. The banking sector is fundamentally sound. Kuwait has eleven local commercial banks, which include five Islamic banks. The largest bank is the National Bank of Kuwait (NBK). Following an amendment to the Banking Law of 1968, the National Assembly allowed foreign banks to establish operations in Kuwait. Currently, ten foreign banks have branches in Kuwait. Well-known financial conglomerates such as Citigroup, BNP-Paribas, and Hong Kong Shanghai Bank (HSBC) operate in Kuwait.

Two specialized government-owned banks provide medium and long-term financing. The Industrial Bank of Kuwait offers financing for industrial and agricultural related

projects. The Credit and Savings Bank facilitates the purchase of single-family or multi-family residential units.

FOREIGN-EXCHANGE CONTROLS

[RETURN TO TOP](#)

The Kuwaiti Dinar (KD) has been pegged to a basket of currencies since May 20, 2007. The Kuwaiti Dinar is freely convertible, and given strong foreign-currency earnings and foreign-currency reserves, the Dinar's exchange rate vis-à-vis most major international currencies is stable.

U.S. BANKS AND LOCAL CORRESPONDENT BANKS

[RETURN TO TOP](#)

Citigroup is one of ten international banks currently maintaining operations inside Kuwait. Other international banks include BNP-Paribas, HSBC, and regional banks from UAE, Qatar, Saudi Arabia, and Oman. Foreign banks are still limited to opening one branch in Kuwait. However, in 2013 Kuwait Central Bank announced that foreign banks would be able to open multiple branches in Kuwait on a case-by-case basis.

PROJECT FINANCING

[RETURN TO TOP](#)

The United States Export Import Bank (EXIM) facilities are available for imports of U.S. goods. Private entities can obtain financing through local or international commercial banks. Apart from U.S. and international governmental financial institutions, there are several Kuwait government-owned banks providing medium and long-term finance. Most of the USEACS in the U.S. have quick access to EXIM finance information on exports to Kuwait.

Gulf Investment Corporation

The Gulf Investment Corporation (GIC) is headquartered in Kuwait and was established by the governments of the GCC (Bahrain, Kuwait, Saudi Arabia, Qatar, Oman and the UAE). As a multi-service financial institution, its primary objective is to offer a wide range of financial services to both corporate and private investors. The GIC offers portfolio management, financial advisory services, bond and equity issues, direct investment support and capital market activities. Investment is focused on regional manufacturing, agriculture, industrial services, and minerals exploration.

The International Investor (TII) and the International Investment Group (IIG)

Both institutions are private Islamic investment groups offering project and export finance support.

Kuwait is a member of the World Bank's International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA).

Global Markets-Kuwait: <http://export.gov/kuwait/Export-Import Bank of the United States:>
<http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

Government of Kuwait Web sites:

Ministry of Finance:
<http://www.mof.gov.kw/index11.html>

Central Bank of Kuwait
<http://www.cbk.gov.kw>

Kuwait Stock Exchange
<http://www.kuwaitse.com/DefaultE.aspx>

Institute of Banking Studies
<http://www.kibs.ed.kw>

Credit and Savings Bank:
<http://www.scb.gov.kw/default.aspx?pagel=1> (Website in Arabic only)
Tel: (965) 2242-4387/2242-6974/2240-8534, Fax: 2242-5516

Kuwait Investment Authority
<http://www.kia.gov.kw/kia>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 8: Business Travel

- [Business Customs](#)
- [Travel Advisory](#)
- [Visa Requirements](#)
- [Telecommunications](#)
- [Transportation](#)
- [Language](#)
- [Health](#)
- [Local Time, Business Hours and Holidays](#)
- [Temporary Entry of Materials and Personal Belongings](#)
- [Web Resources](#)

BUSINESS CUSTOMS

[RETURN TO TOP](#)

Business and account executives should generally have minimal language difficulties with their Kuwaiti counterparts, as English is widely spoken and many Kuwaiti business professionals were educated overseas.

A personal relationship is an important basis for successful business ties in Kuwait. It is essential to allow time for friendly conversation before commencing with a business agenda. Scheduling appointments in advance is critical. With government officials, appointments will often occur between 10 a.m. and 1 p.m. Official government work hours are from 8 a.m. until 2 p.m. Some companies work split shifts, from 9 a.m. until 1 p.m. and from 4 p.m. or 5 p.m. until 7 p.m. in the evening. Friday and Saturday are the official Kuwaiti weekend as well as for the Gulf except for Oman. Friday is especially respected family time. It is not advisable to attempt weekend meetings, unless your Kuwaiti host suggests or insists on it.

Most senior executives and key decision-makers maintain extensive travel schedules outside of Kuwait. This is particularly evident during summer months when Kuwaitis tend to escape the heat that can often hover at or above 50C/122F. Many decision-makers travel out of Kuwait in July and August. During the holy month of Ramadan, business is very slow and decisions and appointments are often delayed until after the month. (Ramadan, dependent upon sightings of the moon, is expected to begin around June 28, 2014.) The two major holidays in Kuwait are Eid Al-Fitr at the end of Ramadan and Eid Al-Adh'ha at the end of the Hajj or pilgrimage season, which occurs 70 days after Eid Al-Fitr. National Day and Liberation Day (marking the liberation of Kuwait from Iraq), occurs on February 25 and 26, and is also a good time to avoid travel to Kuwait. Local holidays generally offer opportunities for many decision-makers to leave the country for a week or more. Travelers should schedule appointments prior to their arrival in Kuwait, but reconfirm a day or two before and on the morning of the appointment. It is always good to have a mobile phone contact number in case of last minute changes.

Travel Advisory[RETURN TO TOP](#)

No alcohol, pork products, controlled substances or pornographic materials may be imported into or used in Kuwait. If prohibited items are discovered in a traveler's effects, he or she may be arrested and prosecuted.

The latest information on travel advisories can be found on the U.S. State Department Consular Affairs Website at www.travel.state.gov or the U.S. Embassy Kuwait Website at U.S. Embassy Kuwait Consular Section: <http://kuwait.usembassy.gov/service.html>

VISA REQUIREMENTS[RETURN TO TOP](#)

Passports and visas are required for U.S. citizens traveling to Kuwait. U.S. citizens can obtain visitor visas at the port of entry. Travelers who overstay their visas may face serious fines when leaving Kuwait. Travelers attempting to leave Kuwait without paying traffic or other fines may not be allowed to leave. A Kuwait Ministry of Justice office is located in Kuwait's International Airport for passengers who wish to settle any fines before departure. This includes travelers proceeding via Kuwait to and from Iraq. For further information on entry and exit requirements, please see our [Foreign Entry Requirements brochure](#) for more information on Kuwait and other countries. Visit the Kuwait Information Office – USA web site at <http://kuwait.visahq.com> for the most current visa information. Travelers may contact the Embassy of Kuwait at 2940 Tilden St., N.W., Washington, D.C. 20008, Telephone (202) 966-0702, or the Kuwaiti Consulate in New York City, Telephone (212) 973-4318.

For entry and exit requirements pertaining to dual nationality and the prevention of international child abduction, please find information at: <http://travel.state.gov/content/childabduction/english.html>

For Customs Information, please see http://travel.state.gov/travel/cis_pa_tw/cis/cis_1468.html

U.S. Companies that require travel of foreign business professionals to the United States can find visa information at the following links:

State Department Visa Website: <http://travel.state.gov/content/visas/english.html>

U.S. Embassy Kuwait Consular Section: <http://kuwait.usembassy.gov/service.html>

TELECOMMUNICATIONS[RETURN TO TOP](#)

The telephone system and communication services in Kuwait are supplied by the Ministry of Communications (MOC) and by private companies. The telephone system is adequate and e-mail, faxes, and the Internet are widely used in international business. There are over 1 million Internet users in Kuwait and several service providers. Cellular service is readily available through local companies including: Zain, Viva, and Wataniya.

TRANSPORTATION[RETURN TO TOP](#)

Air: U.S. business travelers to Kuwait have a variety of air carriers serving Kuwait, including United Airlines. United Airlines offers multiple non-stop departures from its hub at Washington Dulles International.

Roads: The road system in Kuwait is reasonably modern. Many travelers hire an automobile with driver to manage most of their transportation needs. Some of the better hotels offer this service to their guests. Most major car rental companies including Avis, Hertz, and Budget operate in Kuwait. U.S. motorists should be cognizant and exercise caution in Kuwait, as traffic conditions are often problematic given the excessive speeding and limited adherence to traffic regulations. Kuwait, similar to other GCC countries, has a very high rate of traffic fatalities.

Lodging: Luxury hotels, including U.S. hotel brands such as the Hilton, JW Marriott, Sheraton, Crowne Plaza, and business-friendly 4-star hotels are popular with travelers. As of 2012, 5-star hotels charge on average \$305, plus 15% service charge, and 4-star hotels charge on average \$240, plus 15% service charge, for single rooms per night.

Short-term visitors may also elect to stay in furnished apartments, which are generally rented for minimum stays of one week. The Kuwaiti government heavily subsidizes water and electricity; consumers are charged 0.800 KD (\$2.80) for 1,000 imperial gallons of water and 0.002 KD (\$0.007) per kilowatt-hour of electricity. In more upscale accommodations, water and utility costs are included in the rental price.

To host a hospitality event at a major hotel, business executives should expect to pay \$35-50 per guest. Hotels generally require one-week notification to host such events. Function rooms are heavily booked immediately following Ramadan and the Eid holidays.

LANGUAGE[RETURN TO TOP](#)

The official language of the State of Kuwait is Arabic. For international projects and procurement tenders, written communication is often in English. In most cases, the Arabic text is the official contract version and will be the one that is upheld in court. Companies need to exercise care in understanding that the Arabic version of the contract must be correct. Translation and interpreter services are readily available and recommended. Private businesses are free to choose the language for contracts; however, some contracts such as employment contracts and business notices including announcements of the implementation of government of Kuwait regulations must, by law, be written in Arabic. Corporate and or agency registration with the Kuwait Ministry of Commerce and Industry must be in Arabic. However, English or foreign language translation may be included in the submission of registration documents. A private entity may offer translation of official Arabic text. Where documents are in multiple languages, the Arabic version is the legally binding text. English is widely spoken in the business community, and most expatriates have a sufficient command of the English language.

HEALTH[RETURN TO TOP](#)

U.S. business visitors to Kuwait encounter few health problems. They should arrive prepared to cope with the extreme heat and dust storms during the summer months. Although tap water is safe to drink, it is recommended to use bottled water as an added precaution. Food in Kuwait, including salads and dairy products, is generally fresh.

The quality of medical care in Kuwait varies depending on the facility, the personnel on duty, and the nature of the medical problem. Although many medications (mainly American) are available, visitors are advised to bring sufficient supplies of their prescription medication (as well as a signed prescription) for their entire stay. Visitors should consider purchasing short-term medical insurance, which includes a medical evacuation option in the event of a medical emergency that would require treatment outside of Kuwait. Should medical care be required while in Kuwait, there are two options: the government system or privately run clinics. There are seven regional hospitals and numerous suburban polyclinics run by the Ministry of Public Health.

Additional information can be found in the Department of State's Bureau of Consular Affairs brochure, [Medical Information for Americans Traveling Abroad](#). The brochure is available via the Bureau of Consular Affairs home page at [www.travel.http://www.travel.state.gov](http://www.travel.state.gov)

LOCAL TIME, BUSINESS HOURS, AND HOLIDAYS[RETURN TO TOP](#)**Local Time**

Time in Kuwait is Universal Time Coordinated/Zulu + 3 hours (Zulu is London UTC/GMT). In comparison, Eastern Standard Time is UTC/Zulu – 5 hours, Central Standard Time is UTC/Zulu – 6 hours and Pacific Standard Time is UTC/Zulu – 8 hours. Kuwait does not observe Daylight Savings Time.

Government Offices: Summer: 07:00-14:00 Sunday-Thursday
Winter: 07:30-14:30 Sunday-Thursday
Ramadan: 10:00-13:00

Private Organizations: 08:30-12:30 and 16:30-20:00 (Friday closed) or
08.00-/17.00 (Friday-Saturday closed)
(Commercial establishments)

09:00-16:00 (Friday-Saturday closed)
(Financial and service companies)

09:00-14:00 and 19:00-00:00 (Ramadan hours)

Banks: 08:00-15:00 (closed Friday and Saturday)

Holidays – The U.S. Embassy workweek is from Sunday to Thursday. If a holiday falls on Monday in the U.S., the embassy will generally celebrate it on Sunday. For more information on 2012 holidays, please contact us.

HOLIDAY	DATE
New Year's Day	1 January 2014
The Prophet's Birthday	16 January 2014
Kuwait National Day	25 February 2014
Kuwait Liberation Day	26 February 2014
Ascension Day of the Prophet Mohammed	29 May 2014
Eid Al-Fitr (conclusion of Ramadan)	28-30 July 2014 (*)
Eid Al-Adha (conclusion of the Hajj)	5-6 October 2014 (*)
Islamic New Year	26 October 2014

The United States Embassy in Kuwait also observes Martin Luther King Jr.'s Birthday (16 January); President's Day (20 February); Memorial Day (29 May); Independence Day (4 July); Labor Day (4 September); Veteran's Day (9 October); Thanksgiving (24 November) and Christmas (25 December). The Embassy will be closed on these holidays. * **Subject to the Islamic calendar. Holiday dates subject to change.**

TEMPORARY ENTRY OF MATERIALS AND PERSONAL BELONGINGS

[RETURN TO TOP](#)

Samples and Advertising Material

Advertising material and samples may be admitted duty free if they are contained in packages describing the advertising nature of the contents and identifying the sender. Materials considered to be in excess of reasonable requirements may be subject to normal customs duty.

Temporary Entry

Temporary imports into Kuwait can enter under a customs bond with the bond being remitted to the importer when the product or goods leave Kuwait. This process is known as Demonstration and Re-export. In the event any outdoor equipment is imported to Kuwait for testing, the best months for demonstration are July and August when weather conditions are usually the toughest with the hottest temperatures.

WEB RESOURCES

[RETURN TO TOP](#)

Department of State Travel Information: www.travel.state.gov

Center for Diseases Control Health Info: <http://www.cdc.gov>

State Department Visa Website: <http://travel.state.gov/content/visas/english.html>

U.S. Embassy Kuwait Web site: <http://travel.state.gov/content/visas/english.html>

Global Markets-Kuwait Web site: <http://export.gov/kuwait/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 9: Contacts, Market Research and Trade Events

- [Contacts](#)
- [Market Research](#)
- [Trade Events](#)

For above information, visit www.export.gov/kuwait.

CONTACTS

COMMERCIAL AFFAIRS

[RETURN TO TOP](#)

Embassy of the United States-Global Markets

<http://www.export.gov/kuwait>

AGRICULTURAL AFFAIRS

Office of Agricultural Affairs (OAA), Dubai (responsible for Kuwait)

Jude Akhidenor

Regional Director

Tel: (971-4) 311-6183

Fax: (971-4) 311-6189

E-mail: AkhidenorJE@state.gov

U.S. DEPARTMENT OF STATE

<http://kuwait.usembassy.gov>

Economic Affairs

<http://kuwait.usembassy.gov/econ.html>

Public Affairs

http://kuwait.usembassy.gov/public_affairs.html

Consular Affairs

<http://kuwait.usembassy.gov/service.html>

DEPARTMENT OF DEFENSE

Office of Military Cooperation in Kuwait (OMC-K)

Capt. Jeffery Schmidt

Tel: (965) 2481-9751

SchmidtJ@omcku.centcom.mil

U.S. Customs Advisor to Kuwait

Thomas Stefanello@cbp.dhs.gov

Tel: (965) 2481-4276, Fax: (965) 2483-2690

Thomas.Stefanello@cbp.dhs.gov

WASHINGTON-BASED U.S. GOVERNMENT OFFICES

United States Department of State

Office of Near East Affairs

Desk Officer-Kuwait

Dulce Ayoubi-Acosta

Ayoubi-AcostaD@state.gov

United States Department of Commerce-Office of Market Access and Compliance

Office of Near East Affairs

Market Access and Compliance

Kevin Reichelt

Kevin.Reichelt@trade.gov

Foreign Agricultural Service-USDA Washington

United States Department of Agriculture – Foreign Agricultural Services (FAS)

<http://www.fas.usda.gov>

Trade and Development Agency

Mr. Carl B. Kress, Regional Director for Middle East, North Africa & South Asia

Tel: 703-857-4357, Fax: 703-875-4009

<http://www.ustda.gov>

Export-Import Bank of the United States

International Business Development

John.Richter@exim.gov

<http://www.exim.gov/>

Overseas Private Investment Corporation (OPIC)

www.opic.gov

GOVERNMENT OF KUWAIT CONTACTS

MINISTRY OF COMMUNICATIONS

Ministry of Communications

<http://moc.kw/English/index.html>

Kuwait Ports Authority

<http://www.kpa.gov.kw/NR/exeres/4F69AF5A-A835-46BF-8475-F5282348AB1C.htm>

Kuwait Airways

<http://www.kuwaitairways.com/en>

Directorate General of Civil Aviation
Tel: (965) 2471-9847, Fax: 2472-0711
Customs

General Administration of Customs
P.O. Box 16, Safat 13001 Kuwait
Tel: (965) 2484-3490
Fax: (965) 2483-8055
<http://www.customs.gov.kw/en/default.aspx>

Kuwait Customs-Shipments arriving via air transport
Tel: (965) 2473-5993, Fax: (965) 2472-6683

Kuwait Customs-Statistics and Auditing Office
Tel: (965) 2484-3682 or 2484-0472, Fax: 2484-6531

MINISTRY OF COMMERCE AND INDUSTRY

Ministry of Commerce & Industry
Tel: (965) 2248-3393 or 2246-9335
Fax: (965) 2245-1140 or 2246-5103 (for General Inquiry)
<http://www.moci.gov.kw> (Arabic website)

Public Authority for Industry
<http://www.pai.gov.kw>

MINISTRY OF DEFENSE

Ministry of Defense
<http://www.mod.gov.kw> (Arabic website)
Tel: (965) 2484-8300, Fax: (965) 2483-6444
E-mail: modkw@ncc.moc.kw

Ministry of Defense-Foreign Procurement Department
Tel: (965) 2482-2187/481-7603, Fax: (965) 2484-6059
E-mail: foriegnprocurement@mod.gov.kw

The National Guard
Tel: (965) 2499-9131, Fax: 2499-9132

MINISTRY OF EDUCATION

Ministry of Education
<http://www.moe.edu.kw/index/index.html>

MINISTRY OF HIGHER EDUCATION

<http://www.mohe.edu.kw>

Tel: 965-188-2020, Fax: 965-2225-7566

Public Authority for Applied Education and Training

<http://www.paaet.edu.kw>

Kuwait University

<http://www.kuniv.edu/ku>

MINISTRY OF OIL AND THE PETROLEUM SECTOR

Ministry of Oil

<http://www.moo.gov.kw/default.aspx?pagelid=3>

Kuwait Petroleum Corporation (KPC)

<http://www.kpc.com.kw>

Kuwait Oil Company (KOC)

P.O. Box 9758, Ahmadi 61008 Kuwait

Tel: (965) 139, Fax: (965) 2398-3661

E-mail: kocinfo@kockw.com

Kuwait National Petroleum Company (KNPC)

<http://www.knpc.com/en/pages/default.aspx>

Kuwait Foreign Petroleum Exploration Company (KUFPEC)

<http://www.kufpec.com>

Petrochemicals Industries Company (PIC)

<http://www.pic.com.kw>

EQUATE Petrochemical Company (a division of PIC and Dow Chemical)

<http://www.equate.com>

Kuwait Oil Tanker Company (KOTC)

<http://www.kotc.com.kw>

Kuwait Aviation Fueling Company (KAFCO)

<http://www.kafco.com.kw/about.html>

Kuwait Petroleum International (Q8)

<http://www.q8.com>

MINISTRY OF ELECTRICITY AND WATER

<http://www.mew.gov.kw/en/?>

Tel: (965) 2537-1000, Fax: (965) 2537-1444/2537-1420/1

Operation of Measurement and Control Equipment
Tel: (965) 2537-1740, Fax: (965) 2537-1720

Operations and Maintenance of Electric Power and Water Distillation Stations
<http://mew.gov.kw/en/>

Statistics and Information Center
http://www.e.gov.kw/sites/kgoenglish/portal/pages/business/factsandstatistics_information.aspx

MINISTRY OF FINANCE AND OTHER FINANCIAL AGENCIES OR INSTITUTIONS

Ministry of Finance:
<http://www.mof.gov.kw>

Central Bank of Kuwait
<http://www.cbk.gov.kw>

Kuwait Stock Exchange
<http://www.kuwaitse.com/Default.aspx>

Institute of Banking Studies
http://www.kibs.edu.kw/en_kibshome.cms

Credit and Savings Bank
Tel: (965) 2242-4387/2242-6974/2240-8534, Fax: 2242-5516
<http://www.kcb.gov.kw>

Kuwait Investment Authority
<http://www.kia.gov.kw/En/Pages/default.aspx>

MINISTRY OF FOREIGN AFFAIRS

Ministry of Foreign Affairs
<http://www.mofa.gov.kw>

KUWAIT INFORMATION OFFICE IN WASHINGTON

<http://www.kuwaitculture.com>

EMBASSY OF THE STATE OF KUWAIT IN THE UNITED STATES OF AMERICA

Tel: 202-966-0702

<http://www.kuwaitembassy.us>

CONSULATE OF THE STATE OF KUWAIT IN NEW YORK

Tel: 212-973-4318

KUWAITI CULTURAL OFFICE IN WASHINGTON

Kuwait Cultural Office-Washington, DC
<http://www.kuwaitculture.com>

MINISTRY OF HEALTH

Ministry of Health
<http://www.moh.gov.kw>

MEDICINE INSPECTION DEPARTMENT

Medicine Inspection Department
Tel: 4283-7467, Fax: 2484-7477

PHARMACEUTICAL SERVICES DIVISION

Pharmaceutical Services Division
Tel: (965) 2486-3564, Fax: 2486-0368

MINISTRY OF INFORMATION

Ministry of Information
<http://www.media.gov.kw/>

Kuwait News Agency (KUNA)
<http://www.kuna.net.kw>

MINISTRY OF INTERIOR

Ministry of Interior
<http://www.moi.gov.kw/portal/venglish>

MINISTRY OF JUSTICE

Ministry of Justice
<https://www.moj.gov.kw/sites/en/Pages/PortalMain.aspx>

MINISTRY OF PLANNING

Ministry of Planning
<http://www.scpd.gov.kw/arabic/default.aspx> (Arabic website)

MINISTRY OF PUBLIC WORKS

Ministry of Public Works
<http://www.mpw.gov.kw> (Arabic website)
Tel: (965) 2538-5560/2538-5530/2538-5520

THE PUBLIC AUTHORITY FOR AGRICULTURE AFFAIRS AND FISH RESOURCES

The Public Authority for Agriculture Affairs and Fish Resources
www.paaf.gov.kw (Arabic website only)

MINISTRY OF SOCIAL AFFAIRS AND LABOR

Ministry of Social Affairs and Labor
<http://www.mosal.gov.kw>

MUNICIPAL AND REGIONAL AUTHORITIES

Kuwait Municipality
www.baladia.gov.kw

Kuwait Non-Government Organizations**CHAMBERS OF COMMERCE & INDUSTRY**

Kuwait Chamber of Commerce and Industry
<http://www.kuwaitchamber.org.kw/echamber/website/index.jsp>

American Business Council – Kuwait (ABC-K)
Scott Beverly
www.abckw.org
Tel: (965) 2563-4051

KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT

<http://www.kuwait-fund.org>

SCIENTIFIC AND TECHNOLOGY ORGANIZATIONS, EXHIBITION ORGANIZATIONS, SOCIETIES AND INDEPENDENT ENTITIES

Kuwait Institute for Scientific Research (KISR)
<http://www.kisr.edu.kw>

Kuwait Foundation for the Advancement of Science (KFAS)
<http://www.kfas.com>

Environmental Public Authority
<http://www.epa.org.kw>

INDEPENDENT ENTITIES

Central Tenders Committee (CTC)
<http://www.ctc.gov.kw/> (Arabic Website)
 Tel: (965) 2240-1200, Fax: (965) 2241-6574

EXHIBITION AND FAIR MANAGEMENT

Kuwait International Fair Co (KIF)
<http://www.kif.net>

MARKET RESEARCH

[RETURN TO TOP](#)

To view market research reports produced by the Global Markets-Kuwait please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

TRADE EVENTS

[RETURN TO TOP](#)

Please click on the link below for information on upcoming trade events.

<http://export.gov/kuwait/tradeevents/index.asp>

<http://export.gov/kuwait/contactus/index.asp>
Kuwait International Fair 2014 and 2015 Schedule
<http://www.kif.net>

U.S. International Buyer Program-Exhibitions for 2014-2015

Event Name	Date and Location
International Franchise Expo 2014 Franchise Expo http://www.ifeinfo.com	06/19/2014 – 06/21/2014 The Javits Center, NY
OTC 2015 (Offshore Technology Conference) http://www.otcnet.org	05/04/2015 – 05/07/2015 Houston, TX, United States
Infocomm14 (Audio/Visual Eq.) http://www.infocommshow.org	6/14/2014 – 6/20/2014 Las Vegas, Nevada, United States
RETECH (Renewable Energy	12/09/2014 - 12/11/2014 Orlando, Florida, United States

Technology Conference and Exhibition 2014) (Renewable Energy Equipment)	
AAIW/SEMA 2014 (Auto Show)	11/04/ 2014 – 11/07/2014 Las Vegas, Nevada, United States
Power-Gen International 2014 (Electric Power)	12/09/2014 – 12/11/2014 Orlando, Florida, United States

Links

Most major exhibitions and conferences worldwide are listed in Reed Publishing's Trade Show Week. Searches for any exhibition by location, date, or industry sector can be conducted on

<http://www.worldtradeevents.com/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 10: Guide to Our Services

The President's National Export Initiative marshals Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link:

<http://export.gov/kuwait/servicesforu.s.companies/index.asp>

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E)**.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

[Return to table of contents](#)