



COUNTRY PROFILE KUWAIT

Arab Business Legislative Frameworks Kuwait Profile

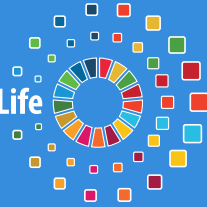


Shared Prosperity Dignified Life





Shared Prosperity **Dignified Life**



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Economic and Social Commission for Western Asia

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Country Profile

KUWAIT



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Summary



The State of Kuwait gained independence in 1961 and is considered a constitutional sovereign state with semi-democratic characteristics. Kuwait's legal system is a combination of French and Egyptian civil law, as well as English common law, with the sharia law governing only family law for Muslims.

Competition



- Kuwait has **STRONG CENTRALIZED** and **STREAMLINED COMPETITION LAWS**, such as **Law No. 10 of 2007** concerning **competition** and **Law No. 1 of 2016**, dubbed the **Commerce Law**;
- Kuwait's legislation still has **GAPS** in partially **ADDRESSING ANTITRUST**, **MONOPOLIZATION** and **ANTI-COMPETITIVE AGREEMENTS**. For example, **Law No. 10 of 2007** outlines examples of **anti-competitive behaviour**, but does not explicitly use the term 'cartels';
- Like many other Arab countries, Kuwait still **HESITATES TO FULLY LIBERALIZE ITS REGULATED SECTORS** – most notably the **oil** and **gas sector**.

Foreign Direct Investment



- Kuwait is a **REGIONAL LEADER** in terms of **FDI legislation**. Kuwait's FDI laws include **Law No. 8 of 2001** regulating **FDI**, which contains **robust definitions** of the **rights of foreign investors**, and **Law No. 116 of 2013**, which established the **Kuwait Direct Investment Promotion Authority (KDIPA)**;
- The **KDIPA** has **29 ONGOING PROJECTS**, of which **10** are **related to FDI**. Kuwait's FDI process is allegedly open to **scrutiny from multiple stakeholders**.



Anti-Corruption



- Kuwait has **VERY STRONG REGULATIONS related to anti-corruption**, including definitions, laws and decrees, institutions and enforcement mechanisms. Those include **Law No. 2 of 2016 on anti-corruption; Decree No. 24 of 2012** on forming an **Anti-Corruption Authority; Law No. 106 of 2013 on Money Laundering and Terrorism Financing**; and a **national anti-corruption strategy**. Moreover, Kuwait has the **promotion and protection of whistleblowers** as part of its national strategy;
- Kuwait has also moved to approve and **INCORPORATE REGIONAL AND INTERNATIONAL CONVENTIONS**. It actively works with **UNDP** and **UNODC** on instances of non-transparency, resulting in Kuwait having one of the most **transparent systems** in relation to **public procurement**. On its website, **Kuwait's Central Agency for Public Tenders** displays **information about open tenders**, giving details on each project and the cost of each tender.

Consumer Protection



- Kuwait established a **CONSUMER PROTECTION LAW, NO. 39**, in **2014**;
- Thanks to that legislation, Kuwait has **STRONG INSTITUTIONAL and ENFORCEMENT CAPABILITIES** to **support consumer protection**, with **no exemptions** in that regard;
- Kuwait's legislation allows **ROOM FOR REGIONAL AND INTERNATIONAL PROCESSES** for an **individual** or **organization** to pursue **consumer rights**.

Main Headings

● Very Strong
 ● Strong
 ● Developed
 ● Moderate
 ● Basic
 ● Weak
 ● Very Weak

COMPETITION

● **STRONG**

Anti-Trust and Competition Laws	● Strong
Anti-Dominance and Monopolisation Laws	● Developed
Cartels and Anti-Competitive Agreements	● Strong
Competition Enforcement Practices	● Strong
International Trade Agreements	● Strong
Liberalisation and Competition Intervention in Regulated Sectors	● Moderate
Merger Regulatory Regime	● Strong
Labor Protection	● Developed



FOREIGN DIRECT INVESTMENT (FDI)

● **STRONG**

Banking Regulations	● Very Strong
Macroeconomic Policies	● Developed
Investment Regulatory Framework	● Very Strong
Incentivisation Schemes	● Developed
Bi-lateral Treaties	● Strong



ANTI-CORRUPTION	● VERY STRONG
Anti-Corruption and Integrity in Public Sector	● Very Strong
Anti-Bribery and Whistle Blow Laws	● Strong
Budgeting and Public Expenditures	● Very Strong
Digital Government	● Very Strong
Open Government and Transparency	● Strong
Public Procurement Standards	● Strong



CONSUMER PROTECTION	● DEVELOPED
Physical Safety Regulations	● Strong
Protection of Consumers' Economic Interests	● Strong
Measures Enabling Consumers to Obtain Redress	● Very Strong
Promotion of Sustainable Consumption	● Weak



Sub-categories

● Very Strong
 ● Strong
 ● Developed
 ● Moderate
 ● Basic
 ● Weak
 ● Very Weak

COMPETITION

Laws/Decrees (i.e. national legislations/regulations)	● Strong	
Definitions (i.e. legal definitions within legislation/treaties)	● Strong	
Institutions (i.e. bodies/authorities)	● Strong	
International Agreements (regional/international conventions, treaties, trade agreements)	● Very Strong	
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Very Strong	
Exemptions	● Very Weak	
Accessibility/Transparency	● Moderate	

FOREIGN DIRECT INVESTMENT (FDI)

Laws/Decrees (i.e. national legislations/regulations)	● Strong	
Definitions (i.e. legal definitions within legislation/treaties)	● Strong	
Institutions (i.e. bodies/authorities)	● Strong	
International Agreements (regional/international conventions, treaties, trade agreements)	● Very Strong	
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Very Strong	
Exemptions	● Very Weak	
Accessibility/Transparency	● Strong	

ANTI-CORRUPTION



Laws/Decrees (i.e. national legislations/regulations)	● Very Strong
Definitions (i.e. legal definitions within legislation/treaties)	● Developed
Institutions (i.e. bodies/authorities)	● Very Strong
International Agreements (regional/international conventions, treaties, trade agreements)	● Moderate
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Very Strong
Exemptions	● Developed
Accessibility/Transparency	● Very Strong

CONSUMER PROTECTION



Laws/Decrees (i.e. national legislations/regulations)	● Moderate
Definitions (i.e. legal definitions within legislation/treaties)	● Strong
Institutions (i.e. bodies/authorities)	● Strong
International Agreements (regional/international conventions, treaties, trade agreements)	● Very Weak
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Moderate
Exemptions	● Very Strong
Accessibility/Transparency	● Strong



