

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

KUWAIT

Middle East

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Kuwait City	Capital and financial/commercial center; home to Kuwait's banking sector and stock exchange (Boursa Kuwait)	Financial services, banking, professional services
Mubarak Al-Kabeer Port (Boubyan Island)	Flagship Vision 2035 northern-economic-zone port, now in implementation phase with Chinese partnership; intended regional trans-shipment and logistics hub	Port logistics, trade, Belt and Road-linked infrastructure
Kuwait Financial Centre / Sharq district	Established financial-services and corporate-headquarters district	Banking, asset management, insurance
Ahmadi / southern oilfields	Core of Kuwait's conventional oil production, targeted for expansion from 2.8 to 3.5-4 million bpd by 2035-2040	Oil and gas production
Shuwaikh / Shuaiba industrial and free-trade zones	Established industrial and free-trade-zone infrastructure for manufacturing and logistics	Manufacturing, petrochemicals, logistics
Al-Khiran / Jaber Al-Ahmad new cities	State-led urban-development and housing-expansion projects tied to Vision 2035's domestic infrastructure program	Real estate, construction, housing
National Assembly / constitutional institutions (Kuwait City)	Kuwait's parliament, suspended by Emiri decree since May 2024 alongside seven constitutional articles; central to the country's governance trajectory	Not an investment location; central to political-risk monitoring

INVESTOR ENTRY ROUTES

- Kuwait Direct Investment Promotion Authority (KDIPA) licensing, permitting 100% foreign ownership in select sectors
- WLL (limited liability company) structure with a Kuwaiti partner, still the established route pending executive regulations for Law No. 1 of 2024 on foreign branches
- Public-private partnership (PPP) and concession tenders in power, water, waste and logistics, led by the Kuwait Authority for Partnership Projects (KAPP)
- Boursa Kuwait capital-markets access, including planned ETF listings and a new central counterparty clearing framework
- Mubarak Al-Kabeer Port and northern economic zone infrastructure partnerships, including Chinese Belt and Road-linked investment
- Sovereign bond and sukuk issuance now possible for the first time since 2017 under the 2025 Public Debt Law, creating potential co-investment and financing opportunities

MARKET-ENTRY OBSERVATION

Kuwait's economy is entering a period of genuine, if cautious, structural change after nearly a decade of fiscal paralysis. The IMF's 2025 Article IV consultation projects real GDP growth accelerating from 2.6% in 2025 to 3.8% in 2026 as OPEC+ production cuts

unwind, with non-oil growth around 3.1-3.3%, though the budgetary central government deficit is projected to widen from 7.1% of GDP in 2025 to about 9.3% in 2026 given oil revenue still supplies roughly 71-90% of government receipts. The most consequential recent development is fiscal rather than political: in March 2025, Emir Sheikh Meshal Al-Ahmad Al-Jaber set a KD 30 billion (\$97 billion) public debt ceiling by decree, ending a borrowing freeze that had persisted since Kuwait's prior debt law lapsed in 2017 amid parliamentary gridlock - a freeze that had forced the government to draw down its General Reserve Fund to cover deficits. This reopens sovereign bond and sukuk markets and is intended to fund Vision 2035's capital-investment program, including a roughly \$6 billion 2025/2026 infrastructure allocation spanning the airport, Mubarak Al-Kabeer Port, power, water, housing and health projects.

The governance backdrop, however, remains unusual even by Gulf standards. Kuwait's National Assembly - historically the most powerful elected parliament in the Gulf and a genuine check on the ruling family - was dissolved by the Emir in May 2024, with seven constitutional articles suspended for up to four years (restoration possible by May 2028). The Emir has since appointed a Crown Prince and reshuffled senior ministries without parliamentary vetting, revoked citizenship from a reported 40,000-plus people, and has not yet formed the constitutional-review committee he promised within six months of the suspension. Analysts describe this as a shift toward the more centralized "Gulf model" of state-led development, trading Kuwait's traditional legislative gridlock for faster decree-driven decision-making - the debt law and FDI-related reforms being the clearest fruits of that shift - at the cost of the institutional checks that long distinguished Kuwait from its neighbors.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Suspended parliament and constitutional articles	The National Assembly and seven constitutional articles have been suspended by Emiri decree since May 2024, with restoration possible only by May 2028	Monitor the constitutional-review process and succession dynamics as the key governance-risk signal
Heavy oil dependence and widening deficit	Oil revenue supplies roughly 71-90% of government revenue; the budgetary deficit is projected to widen to about 9.3% of GDP in 2026	Monitor oil-price and OPEC+ developments alongside fiscal-consolidation progress
Incomplete foreign-ownership framework	Law No. 1 of 2024 permitting foreign branch entry is in force but its executive regulations remain unissued; the WLL structure with a local partner remains the practical route	Plan for a local-partner structure until executive regulations are issued
Large public-sector wage bill and reform resistance	About 80% of the budget goes to wages and subsidies versus roughly 9% to capital investment; the IMF recommends reducing the public-sector wage premium	Monitor fiscal-reform implementation as a signal of broader structural commitment
Low historical FDI base	FDI was only about 0.4% of GDP in 2022, reflecting the state's historic dominance of productive assets and the labor market	Treat Kuwait as an early-stage diversification story rather than an established FDI destination
Mass citizenship revocations	Over 40,000 people are reported to have had Kuwaiti citizenship revoked since 2024, with nationality matters treated as sovereign acts outside judicial review	Factor into social-stability and reputational-risk assessment
Weak official statistics	The IMF flags weak domestic statistics as hampering economic surveillance and transparency	Cross-reference Kuwaiti data against IMF and multilateral estimates where possible

INVESTOR RISK NOTE

Kuwait presents an unusual combination: genuine, decree-enabled fiscal and infrastructure momentum - a new public debt law, a reopened sovereign bond market, and active Vision 2035 project delivery - running alongside an indefinite suspension of the Gulf's historically most powerful elected parliament. Investors should treat the current period as one of top-down acceleration purchased at the cost of institutional checks, with the constitutional-review timeline (due by May 2028) as the key signal to watch for how durable the current governance model proves to be.

MARKET ACCESS

Kuwait is a member of the Gulf Cooperation Council (GCC) Common Market, giving free movement of capital, goods and labor across the GCC, and a member of the World Trade Organization. KDIPA licensing permits 100% foreign ownership in designated sectors. Boursa Kuwait offers regional investors capital-markets access, with planned reforms including ETF listings and a central counterparty

clearing framework. The domestic market is small (roughly 4.3 million people, a minority of them Kuwaiti nationals) but wealthy, with among the highest per-capita oil reserves globally.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Emir Sheikh Meshal Al-Ahmad Al-Jaber Al-Sabah	Head of state who has ruled by decree since suspending parliament and seven constitutional articles in May 2024	Central to political-risk monitoring; not a direct commercial engagement channel
Crown Prince Sheikh Sabah Al-Khalid Al-Hamad Al-Sabah	Appointed by the Emir in June 2024 without parliamentary vetting, reflecting the suspended constitutional process	Relevant to succession and governance-continuity monitoring
Kuwait Direct Investment Promotion Authority (KDIPA)	Central licensing body for foreign direct investment, including 100%-ownership sectors	Primary entry point for structuring any new investment
Kuwait Authority for Partnership Projects (KAPP)	Leads PPP and concession tenders in power, water, waste and logistics	Primary entry point for infrastructure and PPP-linked investment
Ministry of Finance	Manages the new Public Debt Law, sovereign bond issuance, and fiscal-consolidation policy	Relevant counterpart for any engagement tied to government revenue, debt or guarantees
Kuwait Petroleum Corporation (KPC)	State oil company central to the planned expansion from 2.8 to 3.5-4 million bpd by 2035-2040	Primary counterparty for energy-sector investment or supply agreements
Boursa Kuwait	Kuwait's stock exchange, undergoing capital-markets modernization including ETF and sukuk listings	Relevant for public-market and capital-markets access

CURRENT INTERNATIONAL BUSINESS CHANNELS

Engagement channels run through the Kuwait Direct Investment Promotion Authority for FDI licensing, the Kuwait Authority for Partnership Projects for PPP and infrastructure tenders, the Kuwait Chamber of Commerce and Industry, and Boursa Kuwait for capital-markets access.

INVESTOR PROFILE BEST SUITED

Suited to investors comfortable with an early-stage Gulf diversification story - genuine fiscal and infrastructure momentum, a reopened sovereign debt market, and a flagship port and logistics project - who can tolerate an unusual governance environment in which the historically powerful elected parliament remains suspended. Less suited to investors requiring a fully codified, parliamentarily-vetted legal and regulatory framework, or those needing the foreign-branch law's executive regulations to be in force before committing.

FROM INTELLIGENCE TO ENGAGEMENT

- STEP 1: Engage KDIPA for licensing
Approach the Kuwait Direct Investment Promotion Authority to assess sector-specific foreign-ownership eligibility.
- STEP 2: Structure via WLL pending executive regulations
Plan for a local-partner WLL structure until Law No. 1 of 2024's executive regulations are issued.
- STEP 3: Evaluate PPP and infrastructure tenders
Engage KAPP for power, water, waste and logistics concession opportunities tied to Vision 2035.
- STEP 4: Monitor the constitutional-review timeline
Track progress toward the May 2028 parliamentary-restoration deadline as the key governance-risk signal.
- STEP 5: Assess capital-markets entry via Boursa Kuwait
Evaluate public-market and sovereign-debt opportunities as Kuwait's capital markets modernize.

WAVERLEY'S ROLE

- Investment facilitation and introductions to KDIPA and the Kuwait Authority for Partnership Projects
- Fiscal and sovereign-debt market monitoring following the 2025 Public Debt Law
- Political and constitutional-risk monitoring through the May 2028 parliamentary-restoration deadline
- Vision 2035 infrastructure and PPP opportunity tracking, including the Mubarak Al-Kabeer Port

INVESTOR CALL TO ACTION

Investors should request an updated constitutional-risk briefing from Waverley before committing capital tied to Kuwaiti government guarantees or long-term regulatory stability.

Investors interested in Vision 2035 infrastructure should engage Waverley for introductions to the Kuwait Authority for Partnership Projects and KDIPA.

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities are concentrated in Mubarak Al-Kabeer Port and broader northern-economic-zone logistics, PPP-structured power, water and waste concessions under KAPP, capital-markets products tied to Boursa Kuwait's modernization, and sovereign bond and sukuk co-investment following the reopening of Kuwait's debt markets. Oil and gas-sector expansion toward 3.5-4 million bpd by 2035-2040 offers a longer-horizon opportunity for energy-sector investors.

POSITIONING

Waverley views Kuwait as a Gulf economy now moving, after nearly a decade of fiscal paralysis, toward genuine infrastructure and capital-markets momentum under Emiri decree rule - a new public debt law, a reopened sovereign bond market, and active Vision 2035 project delivery including the Mubarak Al-Kabeer Port.

That momentum has come at the cost of the suspension, since May 2024, of the Gulf's historically most powerful elected parliament, with restoration not guaranteed before May 2028; investors should treat Kuwait as an early-stage, decree-driven diversification story whose durability depends on how the constitutional-review process ultimately resolves.

SELECTED SOURCES

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