Kuwait is a country located in the Middle East on the northeast Arabian Peninsula. It borders the Persian Gulf, Iraq, and Saudi Arabia. The flat, sandy Arabian Desert covers most of Kuwait. The government system is a constitutional emirate; the chief of state is the emir, or sheikh, and the head of government is the prime minister. Kuwait has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation. Kuwait is a member of the League of Arab States (Arab League) and the Gulf Cooperation Council (GCC).

**Introduction**

**Location:** Western Asia  
**Capital City:** Kuwait City (+3 GMT)  
**Chief of State:** Emir Sabah IV Al-Ahmad Al-Jaber Al-Sabah  
**Head of Govt.:** Prime Minister Jaber Al-Mubarak Al-Hamad Al-Sabah  
**Currency:** Kuwaiti Dinar (KWD)  
**Major Languages:** Arabic (official), English widely spoken  
**Primary Religions:** Muslim (official) 74.6%, Christian 18.2%, other and unspecified 7.2% (2013 estimate)  
**Calling Code:** 965  
**Voltage:** 240

**Key Economic Facts**

- **Income Level (by per capita GNI):** High Income
- **Level of Development:** Developing
- **GDP, PPP (current international $):** $301.60 billion (2018)
- **GDP growth (annual %):** 1.25% (2018)
- **GDP per capita, PPP (current international $):** $72,897.56 (2018)
- **Manufacturing, value added (% of GDP):** 6.84% (2018)
- **Current account balance (BoP, current US$):** $24.05 billion (2018)
- **Inflation, consumer prices (annual %):** 2.17% (2017)
- **Labor force, total:** 2,435,421 (2019)
- **Unemployment, total (% of total labor force) (modeled ILO estimate):** 2.16% (2019)
- **Imports of goods and services (current US$):** $61.56 billion (2018)
- **Exports of goods and services (current US$):** $79.77 billion (2018)

**GDP Composition %**

- **Agriculture:** 0  
- **Services:** 0  
- **Industry:** 61  
- **Manufacturing:** 7

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**Rankings**

- **Corruption Perceptions Index:** 78 / 180  
- **Global Competitiveness Index:** 54 / 139  
- **Global Enabling Trade Index:** 87 / 136  
- **Index of Economic Freedom:** 90 / 179  
- **International Logistics Performance Index (LPI):** 63 / 160  
- **Inward FDI Potential Index:** 29 / 139  
- **KOF Index of Globalization:** 49 / 185  
- **Networked Readiness Index (NRI):** 61 / 139

**Strengths**

- Large oil reserves (6% of world total)  
- Accumulation of substantial public and foreign surpluses managed by Kuwait Investment Authority (KIA) sovereign funds

**Weaknesses**

- Political obstacles to structural reforms  
- Business climate and competitive context could be improved  
- Uncertainties associated with the succession to the Emir and tensions between the Executive and Parliament  
- Location in a region of geopolitical tensions, specifically proximity to Iran and Iraq

**Risk Assessment (Provided by Coface)**

**Country rating:** A3 - Changes in generally good but somewhat volatile political and economic environment can affect corporate payment behavior. A basically secure business environment can nonetheless give rise to occasional difficulties for companies. Corporate default probability is quite acceptable on average.

**Business Climate rating:** A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

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**U.S. Embassy**

Bayan 36302, Block 13, Al-Masjed Al-Aqsa Street (near the Bayan palace), Kuwait City  
P. O. Box 77 Safat 13001 Kuwait; or PSC 1280 APO AE 09880-9000  
[965] 2259-1001

**Key Websites**

- **Main Government Page:** e.gov.kw  
- **Commerce Ministry:** moci.gov.kw  
- **Investment Promotion Agency:** kdipa.gov.kw

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Country Memo Provided by: globalEDGE.msu.edu and EXPORT.GOV