

Introduction

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).



Location: Western Asia

Capital City: Kuwait City (+3 GMT)

Chief of State: Amir Nawaf Al-Ahmad Al-Jaber Al-Sabah

Head of Govt.: Prime Minister Sheikh Ahmad Al-Nawaf Al-Ahmad Al-Sabah

Currency: Kuwaiti Dinar (KWD)

Major Languages: <p>Arabic (official), English widely spoken</p>

Primary Religions: <p>Muslim (official) 74.6%, Christian 18.2%, other and unspecified 7.2%</p>

Calling Code: 965

Voltage: 240

Key Websites

Main Government Page: e.gov.kw

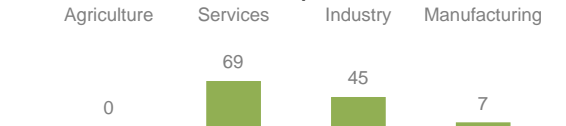
Commerce Ministry: moci.gov.kw

Investment Promotion Agency: kdipa.gov.kw

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$247.83 billion (2022)
GDP growth (annual %):	8.18% (2022)
GDP per capita, PPP (current international \$):	\$58,056.23 (2022)
Manufacturing, value added (% of GDP):	6.61% (2020)
Current account balance (BoP, current US\$):	\$63.08 billion (2022)
Inflation, consumer prices (annual %):	3.42% (2021)
Labor force, total:	2,419,833 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	2.48% (2022)
Imports of goods and services (current US\$):	\$61.14 billion (2019)
Exports of goods and services (current US\$):	\$72.58 billion (2019)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	72 / 178
Global Competitiveness Index	46 / 141
Global Enabling Trade Index	87 / 136
Index of Economic Freedom	108 / 176
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

Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior. Corporate default probability is still acceptable on average.

Business Climate rating: A3 - The business environment is relatively good. Although not always available, corporate financial information is usually reliable. Debt collection and the institutional framework may have some shortcomings. Intercompany transactions may run into occasional difficulties in the otherwise secure environments rated A3.

Strengths

- Large financial buffers
- One of the world's largest oil producers and exporters
- Strategic geographic location allowing the entry to key markets such as Eastern Asia, Europe and Turkey
- Solid public and external accounts

Weaknesses

- Low level of economic diversification, oil accounts for about 45% of GDP leaving the country vulnerable to fluctuations in hydrocarbon prices
- Slow bureaucracy that weighs on operational environment for companies
- Continuous standoff between the legislative opposition and the emir-appointed cabinet, which sometimes blocks legislative work
- Shortage of expatriate workers and mismatch between job offers and jobs sought by the Kuwaiti workforce

U.S. Embassy

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