

# 20

 **KDIPA**  
هيئة تشجيع الاستثمار المباشر  
KUWAIT DIRECT INVESTMENT PROMOTION AUTHORITY

## SECOND ANNUAL REPORT 2016











His Highness The Emir  
of the State of Kuwait

**Sheikh Sabah Al-Ahmad  
Al- Jaber Al-Sabah**

May God protect  
& Bless him





His Highness The Crown  
Prince of the State of Kuwait

**Sheikh Nawaf Al-Ahmad  
Al- Jaber Al-Sabah**







His Highness The Prime  
Minister of the State of Kuwait

**Sheikh Jaber Al-Mubarak  
Al-Hamad Al-Sabah**



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# PART ONE - PREFACE

## KDIPA Board of Directors



**Khaled Naser Al-Roudan**

Chairman of the Board of Directors  
of Kuwait Direct Investment Promotion  
Authority & Minister of Commerce  
and Industry



**Manaf Abdulaziz Al-Hajeri**

Member of the Board of Directors  
of Kuwait Direct Investment  
Promotion Authority



**Wafa Ahmed Al-Qatami**

Deputy Chairman of the Board  
of Directors of Kuwait Direct  
Investment Promotion Authority



**Dr. Adel Essa Al-Yousifi**

Member of the Board of Directors  
of Kuwait Direct Investment  
Promotion Authority



**Ahmed Abdullah Al-Manfouhi**

Member of the Board of Directors  
of Kuwait Direct Investment  
Promotion Authority



**Fehad Sihab Al-Moutiri**

Member of the Board of Directors  
of Kuwait Direct Investment  
Promotion Authority



**Wesam Jassim Al-Othman**

Member of the Board of Directors  
of Kuwait Direct Investment  
Promotion Authority





# CHAIRMAN OF THE BOARD MESSAGE

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## Khaled Naser Al-Roudan

Minister of Commerce and Industry and Acting Minister of State for Youth Affairs

Chairman of Board of Directors of Kuwait Direct Investment Promotion Authority (KDIPA)

It is my pleasure to present the second Annual Report of Kuwait Direct Investment Promotion Authority (KDIPA), highlighting its main activities and achievements in the Fiscal Year (FY) 2016/2017. KDIPA pursued its mandated task of promoting and facilitating direct investments in the State of Kuwait, under its establishing law No. 116 of 2013, in order to further the National Vision "2035", rebranded as "New Kuwait", and its pillars. In addition, to contributing to fulfil Kuwait's commitments in achieving the UN Sustainable Development Goals (SDGs) (2015-2030), and observing the international investment policy framework for sustainability. In doing so KDIPA showcases the advantages of Kuwait as a unique investment location, focusing its promotional activities to attract value-added direct investments, to diversify the economic base and increase the private sector's contribution to the local economy.

The Board of Directors (BOD) continued to assume its responsibilities during the report period by drawing up general policies and guiding the business activities implemented by the various administrative entities within KDIPA at all levels to attain the desired objectives. The report period witnessed a qualitative shift towards the consolidation of governance principles by establishing an internal control unit to follow up with the Board of Directors, and the Grievances Committee to address investors' concerns. It also kept in touch with the latest developments, issued necessary decisions to accelerate the pace of progress in KDIPA's tasks, and follow-up of the licensed investments, and obstacles facing investors. KDIPA adhered to principles of transparency and efficiency while implementing its plans; within the framework of harmonizing the legislative and executive authorities to streamline the business environment and improve the efficiency of the national economy. KDIPA has come a long way during the report period by recording increases in the inflow of

cumulative direct investment into the State of Kuwait reaching KD 707.9 million (about \$2.3 billion), with expected jobs creation for citizens exceeding 1000 posts covering multiple activities in Kuwait's dynamic service by leading companies, both domestic and foreign; a goal achieved through the tireless efforts of officials' and youthful staff. All these achievements are the consequence of a clear strategy and a selected key performance indicators focusing on boosting the expanded role of KDIPA by virtue of undertaking its promotional, procedural, advocacy and developmental roles, in addition to its designated tasks by the Council of Ministers to manage the free zone, allocation of commercial plots, and offset program management.

In conclusion, on behalf of the Board of Directors, I am honored to pay the highest tributes to H.H. the Emir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, H.H. the Crown Prince Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah and H. H. the Prime Minister Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah. Praying that God Almighty will grant us the blessings to proceed in our efforts to make our country Kuwait at the forefront of the financial and commercial centers, and strive to count witness ourselves in the lead with countries that achieve sustainable growth and maintain prosperity along with inclusive welfare. I would also like to convey my appreciation to the members of KDIPA Board of Directors, thanking them for their commitment and keenness to harness their experience to benefit public interest and make it possible for KDIPA to undertake its vital economic and developmental roles. I also extend my thanks to the Director General of KDIPA and all its employees for their cooperation and sustained efforts in ensuring excellent performance and effective achievements, while maintaining the course to move forward towards an even more promising future.



# DIRECTOR GENERAL MESSAGE

## Dr. Meshaal Jaber Al Ahmad Al Sabah

Director General of Kuwait Direct Investment Promotion Authority (KDIPA)

Kuwait Direct Investment Promotion Authority (KDIPA) entered into its second year of operations to achieve its mandated tasks as stipulated by its establishing Law No. 116 of 2013 regarding the promotion of direct investment into the State of Kuwait, its executive regulations, and relevant decisions.

The preparation of the Second Annual Report for the Fiscal Year FY 2016/2017 and the statistical report regarding KDIPA's activities and projects are conducted based on the provisions of Article (31) of the Law No. 116 of 2013. The Second Report shows that KDIPA attracted direct investments in the amount of KD363.8 million concentrated in the vital services sector. The proportion of licensed and approved projects for the multinational companies from developed countries and emerging economies reached 90%. Thus, it recorded a direct cumulative licensed and approved investment volume since KDIPA started its operations in early January 2015 until the end of March 2017 to a value of KD 707.9 million from investors in 14 different foreign nationalities countries. This is expected to create more than 1,000 jobs for nationals. They are also expected to establish linkages and working relationships with local private sector enterprises as well as the academic and research entities in the country.

In early 2017, KDIPA developed internally and adopted its first strategy, with its action plan, and key performance indicators (KPIS), incorporating a total of 30 projects. KDIPA intensified its activities throughout the period of the report as a specialized investment promotion agency by launching successive promotional campaigns to display Kuwait's unique attributes as an attractive location for investment, as well as raising awareness on KDIPA, its role, incentives and guarantees it grants in accordance with its establishing law. For this end, it launched a digital campaign and an internal awareness campaign as well as prepared for launching Kuwait Investment Outreach (KIO) roadshows for to target investors in specific sectors. KDIPA continued to provide needed facilitation and aftercare for

existing and potential investors as well as introduced the latest applications in data management and information systems as well as cloud computing to optimize workflow and ensure full synergy. KDIPA participated in the Kuwait Business Center (KBC), the national one stop shop established by the Ministry of Commerce and Industry (MOCI) to expedite the process for establishing companies and issuing commercial licenses to preceding the issuance of KDIPA's investment licenses for approved projects. In addition, KDIPA completed the terms of reference (TOR) for Al-Abdali Economic Zone Development; adopted the National Agenda for Streamlining the Business Environment in Kuwait "Tahseen Program" and started its implementation process under the Permeant Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK). KDIPA received four reports and training workshops within its project "Enhancing Kuwait Competitiveness in International Indices", a study project contracted to Kuwait Institute for Scientific Research (KISR). On another note, KDIPA also started preparatory steps for implementing the ISO Certification 9001-2015, as well as developing an integrated training program that takes into account striking having a balance between capacity building in specific competencies and administrative and financial skills, and enhance the dissemination of knowledge amongst KDIPA staff through internal database "iKDIPA". KDIPA also organized several activities to support the staff cultural and team building activities.

The aforementioned presents only a brief overview of KDIPA's work; which will be further elaborated in the context of this report that documents the implementation and development of its core operations conducted to preserve Kuwait's prominent position on the global investment map. I conclude by thanking the KDIPA Chairman, Vice Chairman, and Board members and all the employees at various levels; commending them for the sincere and relentless efforts conveyed to attain national goals.



# KUWAIT DIRECT INVESTMENT PROMOTION AUTHORITY (KDIPA)



## Establishment

KDIPA was established as an independent public body in line with by virtue of Law No. 116 of 2013 for the promotion of direct investment in Kuwait, which abolished Law No. 8 of 2001 regarding the regulation of direct investment of foreign capital in Kuwait that had established the Kuwait Foreign Investment Bureau as an office within the Ministry of Commerce and Industry. Thus, KDIPA became the legal successor to the bureau and, all its assets, funds, rights and obligations were transferred to it.

## Tasks

KDIPA shall, in accordance with Article (4) of its Establishment Law No. 116 of 2013, perform a set of tasks which include:

- ◆ Attracting and promoting domestic and foreign direct investment.
- ◆ Promoting Kuwait as an investment location.
- ◆ Presenting value added investment opportunities.
- ◆ Receiving and issuing investment licenses.
- ◆ Granting and managing incentives and guarantees offered to investors.
- ◆ Responding to inquiries and providing clarifications and available information to investors.
- ◆ Dealing with complaints and handling potential obstacles.
- ◆ Coordinating with all concerned government entities to facilitate procedures of doing business and enhancing the competitiveness of Kuwait.
- ◆ Establishing and managing KDIPA's economic zones.

In addition to other newly designated tasks assigned to KDIPA in accordance with several Council of Ministers decisions.

## Components of KDIPA Strategy

### 1. Vision

Foreseeing Kuwait as an added value and innovation based investment hub.

### 2. Mission

Actively contributing to enhance Kuwait's economic diversification towards fostering sustainability.

### 3. Values

- ◆ Excellence in service delivery
- ◆ Professionalism
- ◆ Transparency

### 4. Strategic directions

1. Empower KDIPA as a "center of institutional excellence" to perform its mandate efficiently.
2. Contribute to the local drive for enhancing economic diversification.
3. Attract a larger share of value added direct investments.
4. Build Kuwait Brand as a lucrative investment location.
5. Assure best services & aftercare for investors.
6. Enhance Kuwait competitiveness & foster a favorable investment climate
7. Nurture a learning environment for developing competencies & skills of KDIPA's employees



# PART TWO –

## KDIPA 2016 ACHIEVEMENTS

Report period from 1/4/2016 to 31/3/2017

### Introduction

KDIPA has made notable advances in the second year of its operations in receiving applications for direct investment and granting incentives, promoting Kuwait as an attractive location for investments and a dynamic market with mega projects in the pipeline, providing facilities for investors, licensing investment projects and granting incentives, managing economic zones, and playing a coordinating role with relevant governmental entities, private sector institutions and civil society organizations for streamlining the business environment and enhancing Kuwait's competitiveness, in accordance with the tasks stipulated by its establishing Law No. 116 of 2013, in addition to the new designated tasks by the Council of Ministers decisions. This included heading the Permanent Committee for Streamlining Business Environment & Enhancing Competitiveness in the State of Kuwait (PCK), taking over the management of the Offset program, the free Zones and the commercial plots.

KDIPA has strengthened its role as one of the government's specialized economic entities by following a clear investment policy aimed at attracting value-added and efficiency enhancing investments, and developing its first strategy and the relevant KPIs. The strategy aimed at serving the goals and pillars of developmental, economic and social policies, accommodating the latest trends in international investments, and pertaining to Kuwait's commitments to place sustainability in the core of its development policy. KDIPA strategy adopted an overall KPI to increasing the volume of direct investment up to \$4 billion by FY 2020/2021, and achieving the following key performance indicators (KPIs), stemming from the main axes of its work:

- ◆ Targeting 4 to 5 economic sectors.
- ◆ Targeting 3 to 5 transnational companies in each sector.
- ◆ Developing a Facilitation Paradigm that improves customer service by reducing the number of days in which applications and procedures are to be processed as well as putting in place a measure to address complaints within a specific time frame of 7 to 30 days, and a measure of customer satisfaction based on speed, accuracy and the quality of service delivery.
- ◆ Raising the proportion of economic impact achieved compared to planned or expected impact.
- ◆ Improving the ranking of Kuwait in the "Ease of doing Business index" published annually by the World Bank Group.
- ◆ Embracing the transformation to a "digital environment" and improving Information Systems increments up to 100%.
- ◆ Increasing the percentage of electronic transactions internally through iKDIPA.

KDIPA witnessed an increase in the volume of cumulative direct investment by the end of the second fiscal year of its operations amounting to a total of KD 707.9 million (equivalent to \$2.3 billion) through 22 international companies, from 14 different countries focused in the services sector. These direct investments are expected to trigger direct and indirect economic impact that will stimulate several positive side effects that contribute to the achievement of the objectives of the Medium-Term Development Plan (2015/2016 - 2019/2020) within the framework of the Kuwait National Vision 2035.

In particular, the following metrics:

Development Objectives	Outputs achieved through KDIPA	Development Targets	Development Targets (-2016/2015 2020/2019)	
			Base Year	End Year
Increasing Investment Spending	Attracting investments valued at KD 707.9 million	Raising the contribution of capital formation as a percentage of total general agreement	9.2%	12.2%
Transfer and settlement of advanced technology, modern marketing and administrative systems	For example: General Electric (GE) Technology Centre	Supporting research and development (R&D)	0.1%	1.0%
Job creation for Kuwaiti nationals	Expected 1000+ jobs at different administrative and technical levels	Raising the proportion of national employment in the private sector	6.8%	8.2%
Provision of opportunities for quality training for Kuwait nationals	For Example Huawei Center for Innovation and Training	Raising the number of participants in training	28,626 Trainees	95,782 Trainees
Economic diversification	Strengthening private sector activities in the fields of health services, energy, new and renewable energy sources, innovative industries among others	Increasing non-oil sector contribution to Gross Domestic Product (GDP)	45.1%	64.0%
Supporting the role of private sector	Strengthening private sector activities in the fields of health services, energy, new and renewable energy sources, innovative industries and others	Increasing private sector contribution to GDP	26.4%	41.9%
Maintenance of sustainable growth	GDP growth rate (real)		2.6%	5.9%

On the other hand, KDIPA faced a number of challenges that needed to be addressed for it to be more effective in undertaking its current and future tasks and maintaining sustainability at the heart of its investment policy. It particularly needs to develop more rewarding incentives schemes to retain the tal-

ented national workforce based on a merit system that rewards excellence in performance and taking initiatives, in addition to carrying out well developed promotional activities internally and externally to achieve the desired development goals.



## Chapter One – Board of Directors

The Board of Directors (BOD) powers in accordance with the provisions of Article (8) of Law No. 116 of 2013 regarding the Promotion of Direct Investment in the State of Kuwait, include formulation of general policy and supervise its implementation, the reporting period witnessed convening of five meetings of the Board of Directors, and the formation of the Grievances Committee to consider the complaints of the investors in cases where they object to KDIPA's decisions with regard to applications for investment licenses and the granting of incentives. KDIPA's organizational structure has also been amended to encompass the establishment of the Inspection and Audit Section to enhance BOD role in following-up with the executive management in accordance with the general policies and directives set by the BOD in this regard.

KDIPA's Chairman of the Board of Directors, Vice Chairman, Board members and Director General visited HH the Emir, May God Bless & Protect, on September 7, 2016 to present KDIPA's first annual report for FY2015. They also met with HH the Crown Prince and HH the Prime Minister for the same purpose.



Board of directors meeting

### 1. Board Affairs

During the report period, the following ministerial decisions concerning the Board of Directors affairs were issued:

- ◆ Ministerial Decision No. (159) of 2016 was issued for the establishment of Grievances Committee at KDIPA adhering by the Board of Directors. The Secretariat of the Board shall follow up the Committee's affairs in decisions concerning the applications for licensing and granting of incentives issued by KDIPA to investment entities stipulated in Article (12) of Law No. 116 of 2013, as well as the penalties imposed by the BOD, as

stipulated in points (2) and (3) of Article (32) of Law No. 116 of 2013. The Grievances Committee held three meetings during the report period to determine the mechanism and procedures for submitting grievances and the establishment of a "Grievances Register" as well as to discuss and decide upon the grievances submitted by one company.

- ◆ Ministerial Decision No. (354) of 2016 concerning the amendment of KDIPA organizational structure was issued to establish the "Inspection and Audit Bureau" Section directly under the Chairman of BOD, and the job description for this section was drafted. The head of the Inspection and Audit Bureau was appointed by the Director General's Decision No. (48) of 2017 upon the BOD's approval. Coordination with the competent regulatory bodies is ongoing to prepare the needed policies and the general framework, along with the establishment of an annual follow up plan that clarifies the tasks, timetable, procedures and mechanism to implement the policies upon adoption by the BOD.

### 2. KDIPA Affairs

The Board of Directors was informed of several developments relating to KDIPA's affairs, including the announcement for the third employment campaign; the approval of the Municipal Council to allocate a plot of land for the construction of KDIPA's headquarters; the updated budget estimates; the plan of action and the key performance indicators (KPIs) of KDIPA's first strategy; the proposal on the Offset Program obligations fulfilment addressed to the Council of Ministers; the overview on Kuwait's position in the Ease of Doing Business Index 2017 issued by the World Bank and the next steps to improving its position in the upcoming report; the achievements of the One Stop Shop (OSS) team in accordance with the Administrative Decision No. (806) of 2015 composed of the Ministry of Commerce and Industry, the National Fund for Small and Medium Enterprise Development and KDIPA; the proposal of a registration system for companies and institutions approved by KDIPA; the proposal for pricing fees for consulting companies and offices accredited by KDIPA; a

report on the following up of licensed projects; a report on the Kuwait Investment Forum (KIF2016) organized by KDIPA under the patronage of H.H. the Emir of Kuwait; KDIPA promotional plan; and the Memorandum

of Understanding (MOU) signed between the Kuwait British Business Centre (KBBC) and KDIPA on encouraging and attracting British investments into Kuwait.



H.H. the Emir of Kuwait with KDIPA board members

The Board of Directors was informed of the following decisions:

- ◆ Ministerial Decision No. (160) of 2016 amending the Ministerial Decision No. (140) of 2014 regarding KDIPA's organizational structure.
- ◆ Council of Ministers Decision No. (1154) of 2016 regarding transferring the allocation and distribution of commercial plots to KDIPA.
- ◆ Council of Ministers Decision No. (907) of 2016 regarding assigning KDIPA to manage the Free Zones.
- ◆ Council of Ministers Decision No. (1465) of 2016 regarding the adoption of the transfer plan of the Free Zone Administration in (Shuwaikh) from the Public Authority for Industry (PAI) to KDIPA.
- ◆ Council of Ministers Decision No. (1507) of 2016 regarding amending the geographic zoning boundaries of Free Trade Area in Shuwaikh.
- ◆ Council of Ministers Decision No. (102) of 2016 regarding establishing a free-trade zone in the south of the country (Nuwaiseeb).
- ◆ KDIPA Director General's Decision No. (313) of 2016 regarding point scoring mechanism (PSM) to evaluate the applications for licensing and granting incentives.

### 3. Decisions

The Board of Directors issued the following decisions concerning KDIPA work:

#	Decision
1	<b>Economic Zones in Al Abdali:</b> <ol style="list-style-type: none"> <li>1 Approving of the Economic Zones Department proposal regarding the establishment of the Economic Zone in Al Abdali.</li> <li>2 Assigning the Economic Zones Department to prepare a presentation to the BOD on the terms of reference (TOR) of Al Abdali project.</li> </ol>
2	<b>Establishing the One Stop Shop (OSS)</b> <ol style="list-style-type: none"> <li>1 The following competent authorities are approved to have designated representatives in the OSS: <ul style="list-style-type: none"> <li>• Ministry of Commerce and Industry (MOCI).</li> <li>• Department of Real Estate Registration and Documentation (Ministry of Justice).</li> <li>• Kuwait Municipality.</li> <li>• Ministry of Social Affairs and Labor.</li> <li>• Public Authority for Civil Information</li> <li>• Ministry of Interior</li> <li>• Kuwait Chamber of Commerce and Industry (KCCI)</li> <li>• The National Fund for Small and Medium Enterprises Development.</li> </ul> </li> <li>2 Delegating the Board Chairman and Minister of Commerce and Industry to add competent authorities to work on the administration of outreach or cancel it in accordance with the interests of the work.</li> </ol>
3	<b>KDPIA First Annual Report- 2015:</b> <ol style="list-style-type: none"> <li>1 Adoption of 2015 first annual report covering KDIPA's operations, activities and statistical report of the investment projects.</li> <li>2 Presenting the report to the Council of Ministers (COM), and submitting a copy thereof to the National Assembly within 30 days of its submission to the COM, based on Article (31) of Law No. 116 of 2013.</li> </ol>
4	<b>Following-up with the obstacles faced by licensed projects:</b> Tasking the Director General with providing the Board of Directors with an annual follow up report on the obstacles and difficulties facing investors with licensed projects.
5	<b>Commercial Plots and Free Zones:</b> Tasking KDIPA to provide the Board of Directors with the latest updates and developments on commercial plots and free zones.
6	<b>Proposal for a Point Scoring Mechanism (PSM) for the evaluation of investment license applications and granting incentives:</b> Approving a point scoring mechanism to evaluate the applications for investment licenses, granting of incentives and methodology in this regard.
7	<b>Discussing KDIPA's budget for the fiscal year FY 2017/2018:</b> Approving the draft budget for KDIPA's fiscal year FY 2017/2018 and instructing the Director General to take the necessary measures and coordinate with the competent authorities towards their approval.
8	<b>Registration system for companies, institutions and offices accredited by KDIPA:</b> Adopting of qualification systems for companies and offices to submit applications on behalf of investors. Directing KDIPA to conduct further studies on proposed pricing fees for the qualification of companies and advisory offices approved by KDIPA, and presented to the Board of Directors.
9	<b>Follow-up of Licensed Projects:</b> Assigning KDIPA to provide to the Board of Directors the main data of the licensed companies as soon as the approval is issued.
10	<b>KDIPA first strategy Action Plan and Key Performance Indicators (KPIS):</b> Adopting the proposed Action Plan, the KPIs of KDIPA articulated first strategy. Assigning the Director General to follow up the progress and present to the Board of Directors.
11	<b>Ministerial Decision No. (159) of 2016 regarding the formation of Grievances Committee in KDIPA:</b> Approving the extension of Grievances Committee work assignment for another year.
12	<b>The third KDIPA employment announcement</b> Committing to the principles and criteria for evaluation of employment and distribution of grades (language and specialization tests, personal interview and academic qualifications) as previously approved in this regard.
13	<b>KDIPA headquarters</b> Assigning the Director General to follow up and complete all the procedures with the concerned authorities, in particular the Ministry of Finance, to provide needed funds to commission the necessary studies, engineering designs and construction requirements in accordance with the rules and regulations prescribed in this regard.

## Chapter Two – The Statistical Report

The statistical report depicts details of the investment operations carried out during the period from 1/4/2016 to 31/3/2017 under the provisions of Article (9) of Law No. 116 of 2013, which stated:

“The Director General shall ... prepare an annual statistical report, which is submitted to the Council of Ministers, regarding the activity of the Authority including the number of projects submitted, the projects approved and the projects rejected with the reasons for such rejection.”

The report period witnessed the issuance of the following relevant decisions:

- ◆ Director General Decision No. (313) of 2016 regarding the points scoring mechanism (PSM) for the evaluation of applications for investment licensing and granting incentives, issued on 6 December 2016.
- ◆ Ministerial Decision No. (159) of 2016 regarding the formation of KDIPA Grievances Committee following the Board of Directors, issued on 20 April 2016, and the Board of Directors Decision to renew it for another year at its meeting held on 6 February 2016.

KDIPA carried out its operations of receiving applications for investment licensing and granting incentives. During the report period, the various applications templates for licensing and granting of

incentives (A / B / C / D), as well as the initial application template, were updated according to business needs and best practices to facilitate procedures for investors. The process for entering and recording data was fully automated using iPad devices and through establishing a Dashboard application; also the complaint receipt and handling mechanism was fully developed.

**The statistical report includes the following data:**

### 1. Total investments received

The Board of Directors issued the following decisions concerning KDIPA work:

During the report period, total direct investments received amounted to KD 363,875,033 by 22 investment entities, which comprised mainly licensed and approved investments accounting for a majority of KD 329,281,227 as well as investments under study that amount to KD 34,593,806, comprising 10% of the total. No investment request was rejected during this period. Investments were concentrated in the services sector (100%), covering wide spectrum activities including: drilling services for oil and gas wells and installations decoration works, project management, hospital construction and management, technical services and computer technology, electrical power generation and recovery, experimental research and development in natural and applied sciences, installation, repair and maintenance of industrial machinery and equipment, film, professional, scientific and technical activities.

Inward Investments	Number	Investment Volume Kuwaiti Dinar (KWD)	Share (%)
Licensed & Approved Investments	19	329,281,227	%90
Investments under study	3	34,593,806	%10
Rejected	0	0	0
<b>Total</b>	<b>22</b>	<b>363,875,033</b>	<b>%100</b>

**"During the report period, total direct investments received amounted to 363,875,033 KD."**

## 2. Licensed and Approved investments

Licensed direct investments approved by KDIPA during the report period amounted to KD 329,281,227; including 19 foreign companies established - or in the process of establishing legal entities with a foreign ownership interest of up to 100%. This comes under Law No. 116 of 2013. These investment licenses and approvals were focused on projects in the services

sector and covered ICT, energy, construction services, design, maintenance, consultancy and training. It covered the following countries: foreign from Spain, United Kingdom, United States of America, Singapore, Turkey, Canada, the Republic of Korea, China, France, India, Belgium, Japan and Italy.



**Figure - Total volume of inward investments received in FY 2016/2017**



## Register of licensed and approved companies

Name of investment entity	Type of activity	Share of foreign investor ownership	Legal form	Nationality
1. TSK Electronica y Electricidad, SA	Services of generation, transmission and distribution of electric power and engineering services	%100	Branch	Spain
2. Tecnicas Reunidas S.A	Providing maintenance services for oil installations, wells, oil refineries and petrochemicals	%100	Branch	Spain
3. Selex Industrial s.r.o	Operating systems and software in the field of defense electronics	%93	Kuwaiti Company (LLC)	United Kingdom
4. Barkley Research Group (LLC)	Management Consulting	%99	Kuwaiti Company (LLC)	United States
5. Malka Communications Group, inc.	Services for people with special needs	%60	Kuwaiti Company (LLC)	United States
6. Allscripts Healthcare International Holdings, LLC	Technical services and computer technology	%100	Kuwaiti Company (SHW)	United States
7. Singulf Global Private Ltd.	Market research and the search for investment opportunities for some sectors	%100	Representative Office	Singapore
8. Limak Insaat Kuwait	General contracting for buildings, roads, sewers and bridges	%100	Kuwaiti Company (SHW)	Turkey
9. NTG Clarity Networks Inc.	Technical services and computer technology	%80	Kuwaiti Company (SHW)	Canada
10. Gamified Labs	Technical services and computer technology	%80	Kuwaiti Company (LLC)	Canada
11. Montreal Medical International Inc.	Training of medical personnel	%100	Kuwaiti Company (SHW)	Canada
12. Trinidad Drilling Ltd	Operations and services of oil and gas wells and their facilities	%100	Kuwaiti Company (SHW)	Canada
13. Kubik, Inc.	Design and decoration works	%100	Kuwaiti Company (LLC)	Canada
14. Korea Land and Housing Corporation (LH)	Projects Management	%100	Branch	South Korea
15. Shanghai Projects Management Co., Ltd	Establishment and operation of renewable and alternative power plants	%100	Branch	China

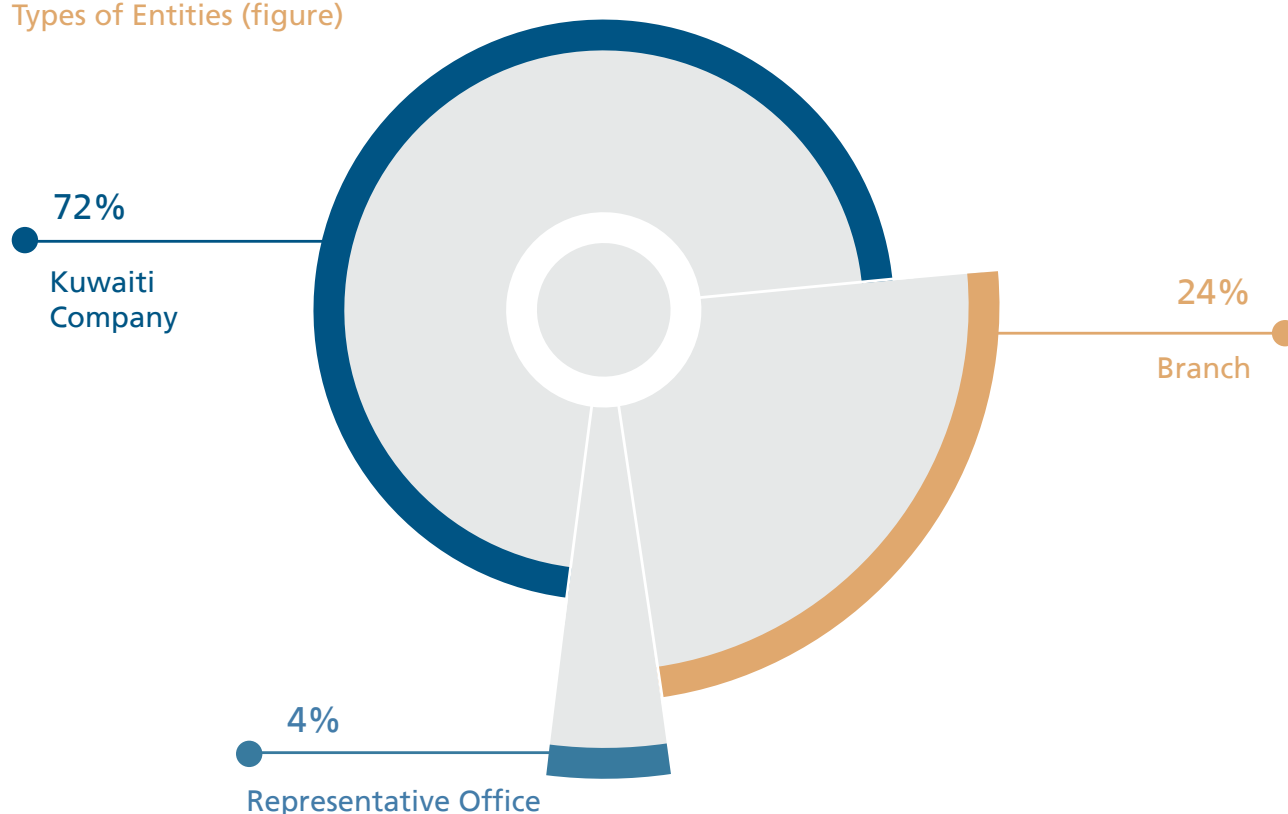
16. Gustave Roussy International	Establishment and management of hospitals	%51	Kuwaiti Company (LLC)	France
17. Wipro Limited	Technical services and computer technology	%100	Branch	India
18. Electrolux LLC / Sumitomo Corporation	Business, generation and development	%100	Kuwaiti Company (LLC)	Belgium and Japan
19. Nuovo Pignone S.P.A	Experimental research and development in the field of natural and applied sciences, installation, repair and maintenance of industrial machinery and equipment	%100	Branch	Italy
<b>Total licensed and approved investments</b>			<b>KD 329,281,227</b>	

### 3. Cumulative inward direct investments

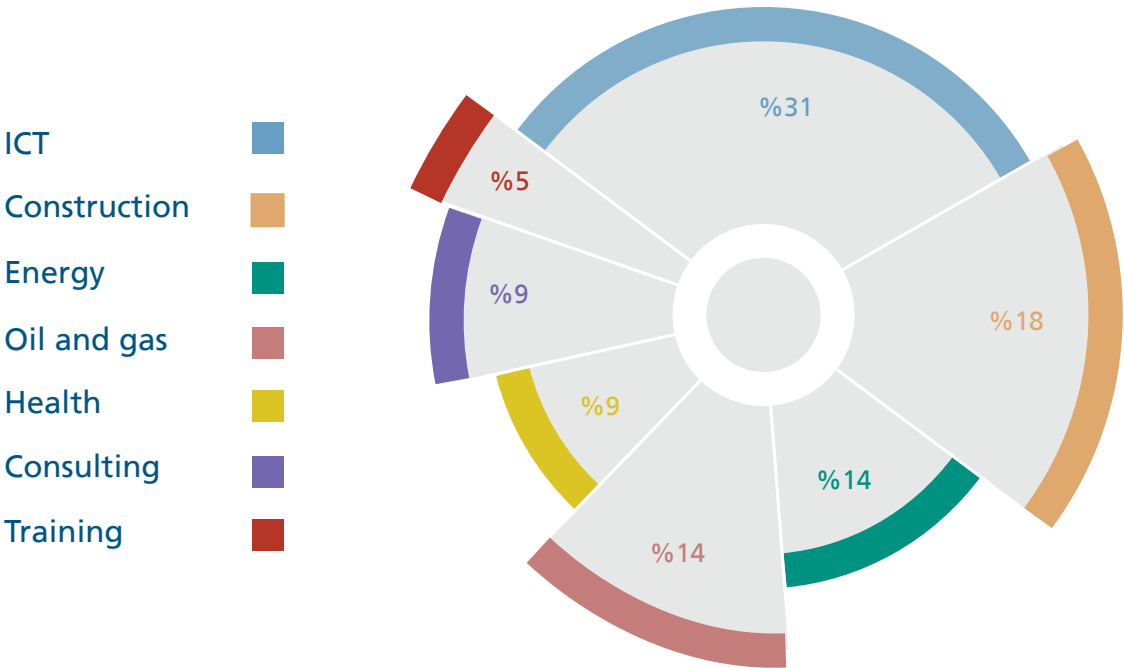
Cumulative inward licensed and approved direct investments since KDIPA started receiving applications for licensing and granting incentives in early January 2015 until the end of March 2017, reached a total of KD707, 961,227. The legal entities established for the licensed companies have varied in accordance with legal forms stipulated in Law No.

116 of 2013; Kuwaiti companies accounted for 72% of investments distributed between the one-person company (SHW) and the limited liability company (LLC). Branches accounted for 24%, and one representative office was established (4%) for marketing studies and not commercial activities as represented in the following figure.

Types of Entities (figure)



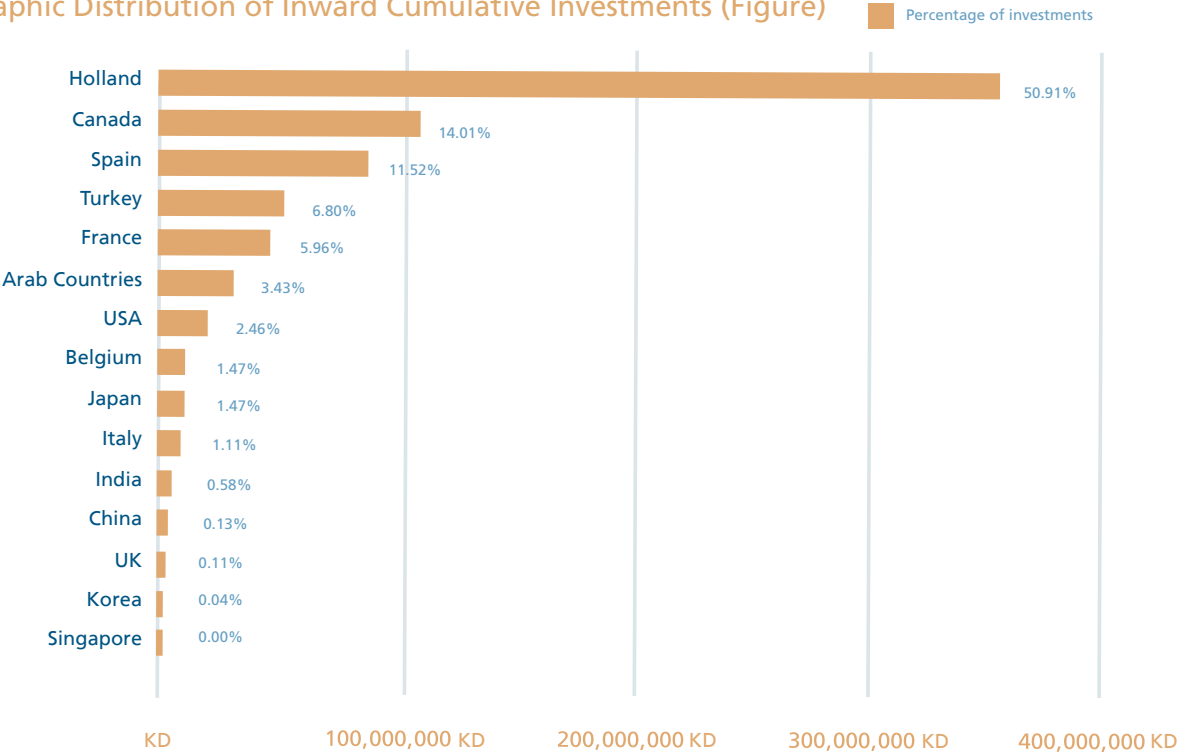
Sector Distribution of Inward Cumulative Investments  
(figure)



As to sectorial distribution of those cumulative direct investments they were concentrated in the services sector and diversified among multiple service activities, including the areas as presented in the figure. Noted that ICT sector was dominated and covered non-traditional activities such as of the renewable energy that promotes the adoption of environmental friendly practices.

In terms of geographical distribution, these cumulative direct investments came from investors of 14 foreign countries, including the Netherlands, Canada, Spain, Turkey, France, USA, Belgium, Japan, Italy, India, China, United Kingdom, South Korea and Singapore as well as number of Arab States, as follows:

Geographic Distribution of Inward Cumulative Investments (Figure)





## 4. Economic impact

Direct investments into the national economy have entailed an economic impact that reflects the broad scope of the economic and social benefits achieved. The benefits derived from these investments indicate the importance of their role in supporting growth, achieving economic diversification and promoting sustainable development. KDIPA has followed up the monitoring of the expected direct and indirect economic impact of the licensed projects under Law No. 116 of 2013, aimed at achieving the intended economic and social objectives and then assessing actual achievements on ground, as follows:

- ◆ **Jobs:** Generating jobs for nationals through the licensed direct investments, which is expected to reach more than 1,000 direct jobs at various managerial and technical levels, and a larger number of indirect jobs across the local economy in relevant sectors.
- ◆ **Training:** Providing high level training programs for the development of the qualifications of the national workforce, including the establishment of local training centres (Huawei Innovation and Training Centre), providing on-the-job training or practical training at the mother company's headquarters (GE), and establishing specialized technical labs equipped with advanced software and hardware offering specialized training to a wide range of national workforce (IBM Kuwait).
- ◆ **The Transfer and Resettlement of Technology:** Supporting the creation of research and development (R&D) units contributing to foster innovation and creativity that leads to developing products, raising efficiency and reducing costs. There is also an added advantage attained through joining scientific and research networks to support local (R&D) efforts, through signing memorandums of cooperation with academic entities like Kuwait University, the Kuwait Institute for Scientific Research (KISR) among others covering various sectors and focusing on specific areas that addresses the nature of the local environment. For example, in the development of tools for the generation of energy in extreme climatic conditions and the diagnosis of reasons for outages and downtime as well as figuring out ways to address them.
- ◆ **Export Development:** Encouraging the diversification of national exports through the subsequent exploitation of the results of commercially successful R&D projects and turning them into potential exports to neighboring markets (GE's Center for Technology).
- ◆ **Enterprise Development:** Contributing to encourage establishment of innovative startups and enterprises by nurturing a competitive and technologically advanced national ecosystem. The role of these SMEs is particularly pivotal in sectors that foster Kuwait's competitiveness, especially in the field of ICT, applications, and environmentally friendly industries.
- ◆ **Supporting local content:** Contributing to the development and implementation of significant projects in key sectors like renewable energy generation (Shagaya project), infrastructure development (Kuwait Airport New Terminal project), and support for oil and gas sector services (Al Ahmadi refinery and Al Zour Oil Refinery Projects). This is in addition to linking with local producers and suppliers of goods and services, using service contracts, that includes dealing with local banks, insurance companies, accounting, auditing, law and cleaning services, transport and shipping, etc., as well as rental of offices, buildings, land, cars and others, and engaging in local contractors, purchase of materials and supplies from local suppliers.
- ◆ **Integration into the global economy:** Integrating local SMEs into the global value chains (GVCs) of international companies for production, distribution or marketing operations, or through mergers and acquisitions (M&As) of assets that enhance the production or marketing processes of investment companies.
- ◆ **Social responsibility:** Contributing to spending on awareness projects in health, education, environmental and social fields performed as part of the CSR of the licensed companies.
- ◆ **Sustainability:** Supporting the achievement of the National Vision 2035, which was re-launched through the "New Kuwait campaign" and its seven pillars, as well as supporting Kuwait's commitment to achieving the seventeen sustainable development goals (SDGs) extending from 2015-2030. This could be attained through adopting best practices and balancing the economic, social, environmental and good governance dimensions of sustainability.

## Chapter Three - Investment Operations

Visitors	E-mail	E-appointments	Initial application	Operations	Complaints	Suggestions
393	4275	355	25	32	6	3

### 1. Investors Services

KDIPA intensified its role during the report period in enhancing investment operations by simplifying the procedures for submitting applications and availing initial application forms through its website. It also provided the necessary information to investors and ensured the provision of needed facilitation at each stage of the investment process as well as offering continued aftercare to existing and potential investors. It is considered part of KDIPA investors service delivery model offered in its One Stop Shop (OSS) established in accordance with KDIPA's law to facilitate the procedures, streamline the business environment, and to encourage direct investment business retention and expansion (BRE).

In this context, KDIPA's Investors Service Center (ISC) received 393 visitors during the report period made up of 61% of existing investors and 39% of potential domestic and foreign investors, reflecting the keen interest in Kuwait as an attractive location for investment. In addition, 4,275 e-mails were received at the dedicated address (info@kdipa.gov.kw), it was directly handled by answering questions and providing the required clarifications with professionalism and speed or forwarded to the relevant entities to take needed action.

The ISC facilitated 355 online appointments by creating a new portal for online booking to meet with designated (Account Managers), who helped in clarifying matters related to licensing procedures for investment and other general inquiries concerning Law No. 116 of 2013, and providing information on

how to submit an initial application and clarified the Point Scoring Mechanism (PSM) for evaluating investments licensing and granting incentives.

KDIPA received 25 initial applications according to the updated template for submitting new projects. During the report period, potential applications received covered various areas of services sector catering to consultancy, information technology and networks, solar energy, oil industry, new energy sources, and the training of people with special needs.

During the report period, KDIPA completed a total of 32 operations related to the application or renewal of a license, the request to grant incentives, the issuance of a certificate of registration or a customs exemption.

In addition, 6 complaints and 3 proposals were received and dealt with, attaining 100% client satisfaction. This came in the context of adopting an effective mechanism to deal with complaints and suggestions by including the submission form for it on the home page of KDIPA's website, and allocating a dedicated e-mail (complaints@kdipa.gov.kw) and activating the online ticketing system (<http://support.kdipa.gov.kw/>) to facilitate the submission and follow-up of investors complaints and proposals, as well as creating there register, and set guidelines with criteria and indicators to ensure the effectiveness of the proceedings.

Moreover, within the framework of diversifying KDIPA facilitation services it offered to the business

community, it issued during the report period a visa into Kuwait for potential investors in accordance with the existing cooperation mechanism established with the Ministry of Interior.

On another note, the Dashboard data management system was standardized within the OSS Department.

## 2. Application Evaluation Mechanism

The Director General's Decision No. (313) of 2016, concerning the Point Scoring Mechanism (PSM) for the evaluating investments licensing and granting incentives, was issued on 6 December 2016, based on the KDIPA's Board of Directors approval of the proposal for scoring points for the evaluation of ap-

plications for licensing and granting incentives taken at its meeting held on 21 September 2016.

The PSM should satisfy the following criteria:

1. The transfer and settlement of technology, modern management methods, practical and technical experience, and developed marketing of Kuwait.
2. The creation of job opportunities for the national workforce in addition to the employment ratios approved by the Council of Ministers Decision No. 1028 of 2014.
3. Training and development of national workforce with accredited vocational training programs inside and outside the country.
4. Support of the local private sector.
5. Contribution to economic diversification.

The decision matrix for the PMS is:

Points obtained	Decision
Less than 59%	Not accepted
From 60% to 69%	Investment license obtained
From 70% to 79%	Investment license obtained along with one of the incentives
80% and above	Investment license obtained along with all the incentives which were stipulated in Law No. 116 of 2013

The decision also clarified the conditions of dealing with applications for granting incentives of customs and tax exemptions for companies that have won government contracts to invest in projects and business outside the scope of awarded contracts.

Companies that applied	Meetings held with companies	Recommendations for evaluated projects	Follow-up reports
26	61	14	13

During the report period, 61 meetings were held with 26 companies who submitted initial applications to evaluate their projects proposals according to the approved evaluation methodology based on the transparent criteria stipulated in Article (29) of Law No. 116 of 2013. Accordingly, KDIPA Director General decisions were issued.

In accordance with the adopted procedures regarding the follow-up of licensed companies, 13 companies were addressed during the report period and asked to submit financial statements, annual reports and other required documents to duly prepare the “follow-up reports” to the attention of top management. At the same time, become aware of any obstacles or observations the licensed companies face in order to deal with them internally within KDIPA or with external parties. This is considered as part of overall efforts aimed at enhancing aftercare and facilitation services for licensed companies to actually start their operations and motivate their business retention and expansion (BRE) in the Kuwaiti market. An electronic follow-up system was developed to assist follow-up and reporting along with preparing a template for “ contact address update”, and standardizing templates sent to investors.

In order to ensure the quality of measuring the achieved economic impact of the licensed investment companies by KDIPA, an “Economic Benefit Model (EBM)” was developed to enable the creation of a time series to analyze cost benefit and thus track the economic impact entailed. The EBM model started with creation of a dedicated file for each investment company to continuously review and update. Furthermore, a preliminary study was prepared and submitted to the Board of Directors on how to qualify and list consulting companies and advisory offices eligible to submit applications on behalf of investors; as well as a proposal to breakdown of the project total volume of investment in the application form; complete the proposal for content of the initial study, adjusting the project evaluation mech-

anism, including the economic impact criterion, and proposing a comprehensive guidelines for investors.

### 3. Licensing Procedures and Collaboration with Competent Authorities

KDIPA established transparent procedures during the report period, aimed to make more efficient and streamlined process for applying for licenses, granting incentives and evaluating proposals in accordance with Law No. 116 of 2013. These procedures were designed to ensure successful completion of the commercial licensing requirements and obtaining the necessary approvals in full coordination and collaboration with competent government authorities that is followed by issuance of the investment license by KDIPA.

In this regard, 250 meetings and visits were conducted during the report period according to the ongoing coordination mechanisms established with competent authorities to complete the transactions and required procedures to ensure a smooth flow of the investment process in order to facilitate the completion of the procedures of the investors’ transactions.

Total number of Competent authorities	Number of meetings held with competent authorities
14	250

The Ministry of Commerce and Industry (MOCI) is working closely in close contact with KDIPA in order to facilitate the issuance of the Commercial License. It was strengthened by the issuance of Ministerial Decision No. (161) of 2016 on 20 April 2016 and amended by Ministerial Decision No. (280) of 2016 on the establishment of National One Stop Shop under the relegation of Minister of Commerce and Industry. Ministerial Decision No. (209) of 2017

was issued on March 26, 2017, regulating the establishment of persons' companies, which called upon the competent government authorities to assigning adequate number of employees to handle the procedures of establishing companies, issuing licenses and certificates of registration in the Commercial Register. This will be realized by the representation of both KDIPA and the National Fund for the Development of Small and Medium Enterprises, for facilitating the transactions of their investors, and from the following government authorities:

- ◆ Ministry of Justice  
(Real Estate Registration and Authentication)
- ◆ Kuwait Municipality.
- ◆ Ministry of Social Affairs and Labor.
- ◆ Public Authority for Civil Information.
- ◆ Ministry of Interior.
- ◆ Kuwait Chamber of Commerce and Industry.

According to that decision as well, the MOCI stopped receiving all applications for establishing companies at the Persons Department, under the Companies and Commercial Licenses Division, as of 31 March 2017. This came in addition to restricting the submission, reception and implementation of applications for the establishment of all forms of persons companies and the issuance of commercial licenses to carry out their activities in the national One Stop Shop (OSS) located in "Ishbelieh", and its commitment of completing the procedures of establishing persons companies within a maximum of 3 working days and issuing licenses for activities within a maximum 5 working days upon completion of the necessary procedures and obtaining required approvals, which would ultimately render the business environment in Kuwait to be more attractive for investments. The following table shows the areas of coordination that took place between KDIPA and 14 competent government authorities:

Name	Name Areas of coordination
Ministry of Commerce and Industry	<ul style="list-style-type: none"> <li>Participating in the work of the National One Stop Shop within the framework of the ministry and its electronic application "Kuwait Business Center".</li> <li>Arranging all technical and procedural aspects related to the applications for licenses for investment projects submitted through KDIPA in accordance with the provisions of Law No. 116 of 2013.</li> <li>Assisting the companies approved by KDIPA in completing the commercial license in the Ministry of Commerce and Industry.</li> <li>Participating in a workshop on the "Standard Guide for the Classification of Economic Activities" organized by the Ministry of Commerce and Industry at the Kuwait Chamber of Commerce and Industry.</li> </ul>
Ministry of Justice	<ul style="list-style-type: none"> <li>Reviewing the forms of contracts for the establishment of closed one-person joint-stock companies with limited liability and approval of officials in the Ministry of Justice to apply directly to companies licensed by KDIPA.</li> <li>Agreeing with the Ministry of Commerce and Industry to coordinate with the Ministry of Justice (Documentation Department) by adding the required amendments to the companies' contracts, provided that KDIPA sends a copy of the establishment contracts specifying the additions required to be included.</li> </ul>
Ministry of Interior	<ul style="list-style-type: none"> <li>Activating a visa issuance mechanism for investors by KDIPA in coordination with the Ministry of Interior.</li> </ul>
General Authority for Manpower	<ul style="list-style-type: none"> <li>Following-up the activation of cooperation mechanism between the two parties in the areas of: issuing work permits, opening the electronic work file, issuing the automated number of the investor, the mechanism of calculating the employment, and adding activities.</li> </ul>
General Administration of Customs	<ul style="list-style-type: none"> <li>Introducing the new employees of KDIPA to the new update of the General Administration of Customs website concerning the procedures for approval and rejection under the customs model.</li> </ul>

Kuwait Municipality	<ul style="list-style-type: none"> <li>Establishing cooperation mechanism with Kuwait Municipality to follow up the transactions of companies licensed by KDIPA</li> </ul>
General Authority for Industry	<ul style="list-style-type: none"> <li>Establishing a mechanism for joint cooperation between the two parties.</li> </ul>
Public Authority for Civil Information	<ul style="list-style-type: none"> <li>Facilitating the procedures for companies licensed by KDIPA.</li> </ul>
Environment Public Authority	<ul style="list-style-type: none"> <li>Following-up the environmental impact decision.</li> </ul>
Oil sector	<ul style="list-style-type: none"> <li>Holding several meetings related to the oil sector and the interest of foreign companies in providing their own services and requesting to report the available land to investors in the relevant sector as well as raising awareness on Law No. (116) of 2013.</li> </ul>
General Authority for Persons with Disabilities	<ul style="list-style-type: none"> <li>Activities of a licensed company in the field of special needs.</li> </ul>
Fatwa and Legislation Department	<ul style="list-style-type: none"> <li>Following-up procedures for companies licensed by KDIPA.</li> </ul>
Ministry of Finance	<ul style="list-style-type: none"> <li>Meeting with the Department of Taxation in the Ministry of Finance to follow-up on the implementation of tax exemption mechanism.</li> </ul>
Ministry of Information	<ul style="list-style-type: none"> <li>KDIPA addressed the Ministry of Information to publish the contracts for the establishment of companies in the official gazette.</li> </ul>

#### 4. Managing Incentives

KDIPA continued to manage the incentives granted to investors under Law No. 116 of 2013, during the report period which included a total of 25 customs consignments for imports of raw and intermediary materials, equipment and machines with total exemptions amounting to KD 5,594,884. As for the granting tax exemption based on performance according to the Director General Decision No. (16) of 2016 issued on 12 January 2016 regarding the mechanism for granting tax exemption and how to apply it, a meeting was held with 4 companies to discuss any difficulties encountered in implementation and delivery of required documents. Another meeting was also held with 2 other companies to clarify this mechanism to them. KDIPA has developed this mechanism in cooperation with the Ministry of Finance, to link the grant of tax exemption to the performance of the entity; which is licensed in accordance with Law No. (116) of 2013. This is expected to motivate investors to maximize the positive

economic and social impact, improve performance and enhance competitiveness. KDIPA coordinated with the Central Agency for Public Tenders (CAPT) regarding the companies that are licensed according to Law No. (116) of 2013. This was in addition to the classification rules application prescribed in the new Public Tenders Law No. (49) of 2016 issued on 13 July 2016, in accordance with the previous experience of these international companies outside Kuwait. KDIPA also sought harmonization with the laws of welfare housing, the Public Authority for Roads & Transportation (PART), and Communication and Information Technology Regulatory Authority (CITRA) and their amendments, to ensure qualifying its licensed companies in accordance with the provisions of Law No. (116) of 2013 to be eligible to implement projects and contracts for these entities. In the same context, KDIPA played a coordinating role according to its mandate to activate the Memorandum of Understanding (MoU) between the Kuwaiti



Government -represented by the Public Authority for Housing Welfare (PAHW) and the Government of the Republic of Korea represented by the Ministry of Land, Infrastructure and Transport regarding cooperation for the development of south Saad Al-Abdullah smart city by the Amiri Decree No. (87) of 2017. KDIPA also coordinated with the Ministry of Information on the activities of movie censorship and the licensing of movie theaters and their distribution for the benefit of the licensed companies in accordance with the provisions of Law No. 116 of 2013. In addition, KDIPA coordinated with the Ministry of Commerce and Industry to follow up some of the matters that arose in light of the practical application of Companies Law No. (1) of 2016 and its executive regulations.

## 5. The offset program

The Countertrade "Offset" Program witnessed intense action since it was designated to be managed by KDIPA in accordance with the Council of Ministers

Decision No. (1212) of 2015 regarding assignment of KDIPA to manage the Offset Program in coordination with the competent government authorities to fulfil the offset obligations in view of attaining the objectives and priorities of the Kuwait National Development Plan. A total of 53 project ideas were received from different government entities, the private sector and civil society. These projects were assessed and a short list of 20 projects were identified along with the initial feasibility study in coordination with the General Secretariat of the Supreme Council for Planning and Development (GSS-CPD) and the Ministry of Finance. A presentation of these projects was given to the Council of Ministers on 24 January 2017. The Council of Ministers Decision No. (400) of 2017 was issued on 12 March 2017, to assign KDIPA to follow up on the implementation of these proposed projects.

Topic	Procedure
Approval	Signing 6 declarations to apply the Offset Program to companies with offset obligations.
Offset procedures	<ul style="list-style-type: none"> <li>Accepting one concept paper of a project.</li> <li>Issuing 2 certificates of fulfillment the offset obligations and release of their bank guarantees.</li> <li>Issuing 3 letters for offset obligations reductions to companies with offset obligations.</li> <li>Approving feasibility studies of companies with offset obligations, including Boeing Commercial project for the establishment of a simulator for flight training and the Mitsubishi Dynaco project for the establishment of a maintenance center for turbines, generators and steel packaging, as well as the second stage of the Mitsubishi project for the installation of solar panels.</li> </ul>
Correspondence	<ul style="list-style-type: none"> <li>Sending 406 letters to companies with offset obligation and competent government authorities.</li> <li>Sending 108 internal memos.</li> <li>Sending 126 letters to renew bank guarantees.</li> <li>Sending 2 letters to respond to inquiries from a member of the National Assembly.</li> </ul>
Phone calls	<ul style="list-style-type: none"> <li>Receiving 876 phone calls to inquire about the offset program, its procedures, status, and future.</li> </ul>
E-mail	<ul style="list-style-type: none"> <li>Receiving 3335 e-mails to follow up on offset obligations within the offset program.</li> </ul>
Meetings	<ul style="list-style-type: none"> <li>Holding 270 meetings, 62 of which were with competent government authorities, and 208 meetings with the exiting or potential obligors within the offset program.</li> </ul>



## 6. Economic & Free Zones and Commercial Plots

KDIPA manages three types of land that include the economic zones, which are governed by Law No. (116) of 2013, whereby it authorizes KDIPA to allocate and distribute land plots in these zones to eligible investors subject to the provisions of the said law as an incentive to encourage them to invest in Kuwait in accordance with the principles and rules established by the Board of Directors in this regard. The free zones management was designated to KDIPA by virtue of the Council of Ministers Decision No. (907) of 2016 issued on 4 July 2016, to be dealt with in light of the provisions of Law No. (26) of 1995 and the relevant regulations and resolutions. Lastly, KDIPA was designated to manage the allocation of commercial plots stipulated in Article (18) of Law No. (105) of 1980 concerning the State Property Law, which was transferred to its realm pursuant to the Council of Ministers Decision No. (1154) of 2016 taken on 22 August 2016, while observing the controls and provisions consistent with the legal context in this regard, and the policies and rules aimed at creating a favorable environment for investment and trade.

### 6-1 KDIPA's Economic Zones

KDIPA commenced the implementation phase based on the outcome of the feasibility study for the establishment and development of the Kuwaiti Economic Zones allocated to KDIPA in Al- Abdali, Al- Na'ayem and Al Wafra with a total area of approximately 18 square km. This vital project is listed under the Second Medium-Term Development Plan and aims to contribute to the national economic diversification efforts and avails needed land for investors in the targeted sectors. KDIPA obtained the approval and accreditation of the Municipal Council of the Economic Zones' feasibility study at the meeting held on 30 May 2016. Under the guidance of KDIPA Board of Directors, the preparation of the terms of reference (TOR) for the design of Al- Abdali Economic Zones was initiated to follow the tendering methodology of the Consultants Selection Committee (CSC) for qualifying and assessing consulting firms in accordance with the final TOR. The qualified consulting firms were asked to submit technical and financial offers for the infrastructure of Al- Abdali Economic Zones, and KDIPA team proceeded with evaluation of submitted proposals in accordance with CSC criteria. On another note, KDIPA team met with a group of consulting companies and engineering offices in Kuwait to be acquainted with their projects and success stories to



collect information and learn from their expertise. The collaboration incorporated a visit to the Faculty of Architecture at Kuwait University and attending a workshop on the “Al-Barayeh” project, which won the award of the best Gulf environmental project during the 19th Gulf Engineering Forum organized by the Kuwait Society of Engineers.

In the same context, other field visits were conducted during the report period, including one to Sabah Al-Salem university city to know more on the project, the contractor’s assessment and qualification conditions; the Public Authority for Housing Welfare (PAHW) to learn more about Al-Mutlaa project and its TOR; a visit to Kuwait Investment Authority (KIA) for obtaining a copy of the TOR of their Al- Abdali project and the estimated cost of the project’s infrastructure; Kuwait University’s Faculty of Engineering and Petroleum to benefit from the expertise of faculty members and inquire about the new campus being built in Al- Shadadiya area.

A meeting was also held with the Networks Projects Department at the Ministry of Communications to discuss the infrastructure of the economic zones and work on the delivery of a detailed masterplan and timetable of the project to determine its status within the budget allocated to these areas.

## 6-2 Free Zones

KDIPA acted on the Council of Ministers Decision No. (907) of 2016 dated 4 July 2016 regarding the transfer of the Free Zones Department from the jurisdiction of the Ministry of Commerce and Industry to its own jurisdiction, and the Council of Ministers Decision No. (102) of 2016 issued on 25 July 2016 regarding the establishment of the free zone in the south in Al-Nuwiseeb area. KDIPA was assigned to prepare a report showing alternative concepts for the management of free zones in Kuwait incorporating required legal, regulatory and technical aspects, in coordination with the Fatwa and Legislation Department and in accordance with the best international experiences and practices. This is followed by issuance of the Council of Ministers Decision No. (1465) of 2016 on 31 October 2016 regarding the adoption of the roadmap for the transfer of the department of the AL-Shuwaikh free zone from the Public Authority for Industry (PAI) to KDIPA. On the other side, the Council of Ministers Decision No. (1507) of 2016 dated 7 November 2016 was issued

regarding the amendment of the geographic zoning boundaries of the free trade zone in AL-Shuwaikh area, as set out in the Council of Ministers Decision No. (512) of 1997, by excluding the plots that fall within Phase I and Phase II and return them to the Kuwait Ports Authority (KPA).

KDIPA addressed the Ministry of Commerce and Industry (MOCI) requesting to provide all information and data for Al-Shuwaikh free Zone for review and audit in preparation for its receipt. KDIPA also addressed Kuwait Investment Authority (KIA) to provide KDIPA with all the updates and data related to the establishment of a public joint stock company to develop and manage the land allocated in the north of the country (Al-Abdali), being the one assigned to it in accordance of the Council of Ministers Decision No. (1545) of 2015.

A “working group” was established to follow up the transfer mechanism of the free zones, determine their status, envisage document delivery system, and identify obstacles facing them, and prepare regular progress reports and required future tasks. In this context, discussions took place tackling the legal implications of this decision, its impact on KDIPA’s organizational structure, and possible options for the management and operation of free zones.

A field visit to the free zones in Dubai was organized in cooperation with Dubai FDI, established under Dubai Department of Economic Development (DED). The visit included Dubai Media City (DMC), Dubai Silicon Oasis Authority (DSOA) and Dubai International Financial Centre (DIFC). KDIPA team met with officials from Jebel Ali Free Zone Authority (JAFZA) and Dubai Multi Commodities Center (DMCC).

KDIPA has set forth a request to join World Free Zones Organization (WFZO).

“Dubai free zones visit in cooperation with Dubai FDI”

### 6-3 Commercial Plots

KDIPA acted upon the Council of Ministers Decision No. (1154) of 2016 issued on 22 August 2016 regarding the transfer and allocation of commercial plots, transferred from the jurisdiction of the Ministry of Finance (State Land Department) to KDIPA. A coordination meeting was held between KDIPA, the Ministry of Finance and the Kuwait Municipality to develop the proposed mechanism on handling commercial plots under KDIPA.

Another tripartite meeting by the officials of the three parties was held on 27 November 2016 to discuss the provisions of dealing with KDIPA's commercial plots as well as the possibility of benefiting from them for building skyscrapers and commercial towers in the areas determined by the Municipality to make Kuwait a financial center comparable to other international centers. This will create an environment suitable

for the presence of major international companies in Kuwait and facilitate the acquisition of headquarters to achieve the directives of HH the Emir of turning Kuwait into a leading commercial and financial center.

KDIPA coordinated with Kuwait Municipality to determine the appropriate areas within the framework of the fourth structural masterplan in order to develop the rules, standards and basis that defines means to benefit investors from these commercial plots in accordance with the policies and rules aimed at providing the best environment for investment and trade. KDIPA met with the Kuwait Municipality regularly for updates on the preparation of the fourth structural masterplan. It also met with the authorized distributor of Geographic Information System (GIS) applications

## Chapter Four - Promotional activities

KDIPA carried out a broad range of promotional and marketing activities during the report period to attain its mandate to position Kuwait as an attractive investment destination, showcase lucrative investment opportunities, and targeting the priority sectors, these include:

### 1. Memoranda of Understanding

KDIPA signed a Memorandum of Understanding (MoU) with the Kuwait British Business Center (KBBC) during the 8th meeting of the Kuwait-UK Joint Steering Group on May 26, 2016 in London, UK, that supports the UK investors interested to invest in Kuwait.

KDIPA discussed several other MoUs that included a draft proposal with the Invest in Hong Kong, China, another with the Incheon Free Economic Zone in the Republic of Korea, for "the management and establishment of free economic zones " between the two countries, and a request for cooperation in the field of investment between Kuwait and Germany.

In addition, KDIPA looked upon a draft proposal for a MoU on the promotion of direct investment between Kuwait and Egypt, and between Kuwait and Qatar.

KDIPA also received the Council of Ministers approval of the MoU signed between Kuwait and Portugal, which included cooperation with Portugal Global – Trade and Investment Agency (AICEP), the official Portuguese Investment Promotion Agency (IPA), to promote investment between the two countries.

" KDIPA signed a MoU to encourage and attract British FDI to Kuwait between KDIPA and Kuwait British Business Centre KBBC. "



Signing a memorandum of understanding to encourage cooperation between KDIPA and Kuwait British Business Centre

## 2. Meetings & Committees

### 2-1 Meetings

KDIPA has conducted 84 meetings at the senior management level with various personalities during the report period, from the following parties: peer investment promotion agencies (UK Trade & Investment); embassies and diplomatic missions in Kuwait (French, Australian, American, Singaporean, Japanese, Swiss, Irish, British, Spanish, Canadian and German); international media (QCPTV, Foreign Affairs, The Business Year, and The Washington Post); local media, local

private sector, governmental authorities, consulting companies as (PWC, Arthur D. Little, Oliver Wayman, Meritz Asset Management), international companies, regional organizations (GIC), civil society (Kuwait National Competitiveness Committee, Kuwait Banking Association, Real Estate Union).



KDIPA participating in US - Kuwait Strategic Dialogue

## 2-2 Bilateral Committees

KDIPA participated in 11 bilateral meetings with foreign, Arab and Gulf counterparts in the context of the country's international relations during the report period. This included KDIPA participation in the official delegation accompanying the First Deputy Prime Minister and Minister of Foreign Affairs in the first session of the strategic dialogue between Kuwait and the United States of America for the next 25 years, which was held at the headquarters of the US Department of State in Washington D.C. It also participated in the following: the 8th meeting (in London) and the 9th meeting (In Kuwait) of the Kuwaiti-British Joint Steering Group; the 7th Economic Dialogue among GCC States and the European Union (EU) at the headquarters of the General Secretariat of the Gulf Cooperation Council (GCC) in Riyadh, Saudi Arabia; the 7th meeting of the Kuwait-Finland Joint Committee for Economic and Technological Cooperation held in Kuwait; the 5th meeting of the Joint Kuwaiti-German Committee for Economic, Commercial and Technological Cooperation held in Berlin; the 3rd session of the Joint Committee between Kuwait and Brunei Darussalam held in Darussalam; the 9th session of the Kuwaiti-Algerian Joint Ministerial Committee held in Algiers; the preparatory meeting for the 4th session of the Kuwaiti-UAE Joint Committee; the preparatory meeting for the 8th session of the Kuwaiti Joint Committee with Oman, Qatar and the UAE.

## 3. Delegations & Business Councils

KDIPA received 10 investment and commercial delegations, during the report period that included: acting Undersecretary of the US Department of Commerce for International Affairs and the accompanying delegation; the Mayor of the City of London and the accompanying delegation; the Governor of Geneva and the accompanied delegation; a Korean companies delegation accompanied by Kuwait Foundation for the Advancement of Science (KFAS); a Chinese delegation; a Welsh trade delegation; a trade delegation from the United Kingdom coordinated by the Kuwait British Business Center (KBBC);, Munich Technology Institute delegation; a Turkish

sovereign wealth fund delegation; Abu Dhabi Department of Economic Development delegation; and a high-level Cypriot trade and investment delegation at the headquarters of the Kuwait Chamber of Commerce and Industry (KCCI).

On another hand, KDIPA participated in the first annual meeting of the Greek-Kuwait Business Council held in Kuwait.

## 4. External Promotional Campaigns

KDIPA participated as part of the Kuwaiti official delegation in two external tours: The Asian tour of the Prime Minister to all of Bangladesh, Vietnam, South Korea and Japan, from 3 to 17 May 2016, and the First Deputy Prime Minister and Minister of Foreign Affairs visit to the Swiss Confederation on 29 August 2016.

In the context of external investment activities, KDIPA participated with the Foreign Affairs magazine in the forum entitled "Economic Developments in the Gulf Region: What distinguishes Kuwait?". The forum was held in New York, United States of America, on October 5, 2016 to promote Kuwait as an investment attraction and to showcase investment opportunities for the American business community and global investors, engaging as well as a number of prominent Kuwaiti officials and executives from both public and private sectors.

KDIPA contributed to the organization of two external investment forums in Dubai. The first was held on May 8, 2016 in cooperation with The Consulate General of China and the Consulate General of the State of Kuwait in Dubai directed to Chinese companies operating in the UAE. The second was on October 20, 2016 in cooperation with the Australian Embassy in Kuwait and the Australian Business Council in Dubai, targeting Australian companies operating in the UAE.





KDIPA receives the financial district's mayor in London in the presence of governor of the Hawalli governorate Lt-Gen. (ret.) Sheikh Ahmad Al-Nawaf Al-Sabah.

“ KDIPA participated with “Foreign Affairs” magazine at the New York forum entitled “Economic Developments in the Gulf Region: what defines Kuwait?” ”



KDIPA's participation in the official delegation accompanying the Prime Minister in his Asian tour.



Holding a joint forum with Foreign Affairs magazine in New York.



KDIPA organizes an external investment forum for Chinese companies in Dubai.

## 5. Orientation Presentations

KDIPA presented 3 orientation presentations during the report period to raise awareness on KDIPA's role and mandate as per its establishing law No. (116) for the year 2013 and the unique attributes of Kuwait as an attractive location for investment to the following parties: the junior diplomats for the 5th session of the Ministry of Foreign Affairs at the headquarters of Saud Al-Nasser Al-Sabah Diplomatic Institute on January 4, 2016; the Kuwait British Business Center KBBC at KDIPA's headquarters on November 16, 2016; and to the trainees of the Capital Market Authority (CMA) at KDIPA's headquarters on February 1, 2017.



KDIPA's participation in the 12th Kuwait Projects Conference organized by MEED.

## 6. Events

### 6-1 Local

KDIPA participated in 19 conferences and exhibitions during the report period convened locally in Kuwait, that included: the 12th Kuwait Projects Conference organized by Middle East Economic Digest (MEED); the 8th Euromoney Conference for Kuwait titled "Meeting the Challenges of Innovation and Financial reform"; conference & exhibition on Local Content in the Oil Sector titled "Promising Opportunities"; the 4th Kuwait Investment Forum titled "Investing in Kuwait – Available and Lost Opportunities"; the Forum on Streamlining Business Environment Forum on Streamlining Business Environment; the Knowledge Transfer and SMEs Expo; the conference on "Heading Global 2016" organized by Public Authority for Applied Education and Training (PAAET); introductory seminar of the Arab Investment Court; the Legal Risk Management Conference; the Bankruptcy and Arbitration Forum in cooperation with the US Department of Justice and Commerce held in Kuwait Chamber of Commerce and Industry (KCCI); the Global Informatics Forum "GIF" 2016 titled "Digital Transformation toward Knowledge Economy"; the Electronic PR & Digital Diplomacy Conference; the Conference on Road map towards Smart Government organized by the Central Agency for Information Technology (CAIT) and the Arab Smart Government Shield Award; the celebration of the World Telecommunication and Information Society Day organized by CAIT titled "Sources of Innovation in the Field of ICT"; the 13th Arab Media Forum titled "Media, Challenges and Elements"; the Graduates Society's conference on the educational sector and its role in creating additional jobs and diversifying the income; 2016 Nuqat seventh annual conference titled "The Seventh Sense"; at the Americani Cultural Center; a seminar by the Audit Bureau on "Latest Financial Developments and their Economic Impact".

### 6-2 Abroad

KDIPA attended 8 external events related to its core work in the investment promotion industry, during the report period that included: 21st World Investment Conference of the World Association of Investment Promotion Agencies



Orientation session for trainees of the Capital Market Authority (CMA).



KDIPA's participation in the Euromoney Kuwait Conference.

(WAIPA), of which KDIPA is a member, held in Istanbul, Turkey; the Forum of Investment Promotion Agencies in OIC Member States in Riyadh, Saudi Arabia; the 6th Annual Investment Meeting in Dubai (AIM2016) titled "The New World of FDI, Key Features and Best Practices"; the 7th Bosphorus Summit organized by International Cooperation Platform (ICP) in Istanbul, Turkey; the "IBM" conference and forum on "Artificial Intelligence AI" in Los Angeles U.S.A, entitled "The World of Watson"; the "World SME Expo" exhibition in Hong Kong; and the "GITEX 2016" 36th technology Week in Dubai, United Arab Emirates.





KDIPA's participation in the 21st World Investment Conference by World Association of Investment Promotion Agencies (WAIPA) held in Istanbul, Turkey



KDIPA's participation in the Annual Investment Forum (AIF) in Dubai



KDIPA's participation in the Annual Investment Meeting (AIM) in Dubai

### 6-3 Inauguration Ceremonies

KDIPA attended 4 opening ceremonies during the report period, three of which were held by the licensed companies under Law No. (116) for the year 2013, which included: the opening ceremony of GE Technology Center Kuwait headquarters after paying a visit to His Excellency Prime Minister by KDIPA and GE senior officials; the inauguration ceremony for launching of Montreal Medical International (MMI) Inc. in Kuwait; and the opening ceremony of the Huawei Center for Training & Creativity in Kuwait.

Lastly, KDIPA took part in the opening ceremony the Kuwait Business Center (KBC), the National One Stop Shop at Ish-

belieh on September 28, 2016, established by the Ministry of Commerce and Industry (MOCI) in accordance with a Ministerial Decision that outlined the cooperation among MOCI, KDIPA and the National Fund for SME Development to facilitate procedures for issuing commercial licenses, with parallel fast tracks for enterprises under both KDIPA and SME Fund, to improve the overall doing business environment in Kuwait.





Opening ceremony of the General Electric Technology Centre



KDIPA's desk at Kuwait Business Center (KBC)



The inauguration ceremony of Montreal Medical International



The opening ceremony of the Huawei Training and Innovation Center in Kuwait established by Huawei Technologies Kuwait licensed by KDIPA



## 7. Media Relations

KDIPA continued to build a network of promotional relations with a number of local, regional and international media organizations to disseminate its press releases, articles, special supplements and interviews that contribute to raise awareness on its crucial role in attracting foreign direct investment (FDI) and showcasing advantages of investing in Kuwait. In this context, KDIPA strengthened its communications with local press and with Kuwait News Agency (KUNA) to issue press releases directly related to its work. Al- Sena'e magazine of the Kuwaiti Industries Union published an interview with KDIPA's Director General in which he highlighted the important achievements and benefits under Law No. (116) of 2013 and the available investment opportunities. KDIPA also cooperated with the economic and financial research magazine Marmore, of Kuwait Financial Center (Markaz), that covers the GCC, by publishing an extensive interview

with KDIPA's Director General to introduce its role, achievements and future plans. KDIPA continued its collaboration with Oxford Business Group (OBG) as a primary partner, facilitating the preparation and production of a specialized economic report annually since 2006 in English. The 2016 report included an interview with KDIPA's Director General and special advertisement on KDIPA. Another interview with KDIPA's Director General was also published in The Business Year (TBY) publication, in which an update on Kuwait investment climate and KDIPA's activities was presented. Furthermore, KDIPA published an editorial in Kuwait's volume entitled "Kuwait Revisited – 2016" published by the Foreign Affairs(FA) Magazine. On the other hand, KDIPA met with a group of renowned international media companies to strengthen relations, including The Washington Post, fdimagazine and representatives from Thomson Reuters and the MC Group.

- The Washington Post

# The Washington Post

- Thomson Reuters



THOMSON REUTERS



- MC Group



- Financial Times (fdimagazine)



- Foreign Affairs



- Oxford Business Group



- The Business Year

thebusinessyear

## 8. Advertisements & promotional video

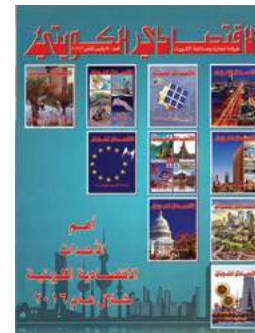
A special advertisement and video were designed during the report period for the promotional campaign “Kuwait - Discover the Opportunity”. Local and international magazines were contracted to publish KDIPA advertisements, which included:

- ◆ MEED Yearbook 2017;Kuwait Municipality.
- ◆ FDI magazine February 2017 issue;
- ◆ Site Selection Magazine March 2017 issue;
- ◆ Al Iqtisadi Al Kuwaiti Magazine of KCCI, January and February 2017 issues;
- ◆ KUNA Economic Report for Second half 2016.

As part of its collaboration with Foreign Affairs magazine, KDIPA published an editorial in the special volume entitled “Kuwait Revisited – 2016”.



**MEED**  
Intelligence.Events.Insight



# KUWAIT DISCOVER THE OPPORTUNITY



Advertisement design for the promotional campaign “Kuwait - Discover the Opportunity”

## KDIPA Brand

### The Narrative



## 9. Institutional Brand

During the report period, KDIPA worked on the identity and design of its brand, which, upon being approved, was applied to all the new designs of its publications, official papers, presentations, promotional material, internal office panels, and other materials. Several infographics were prepared for the publications "Why Kuwait", "Invest in Kuwait" and "KDIPA Milestones" which featured most important milestones and achievements. In addition to designing the brand, appropriate font, and components for the logo "Kuwait - Discover the Opportunity", to resonate the elements of the promotional campaign based on it. Moreover, other designs were created to reflect the new institutional brand for the social activities organized internally for social activities such as blood donation, National Day and Liberation Day celebrations.

## 10. Website & Social Media

KDIPA's website witnessed continuous development and updating, in addition to enhancing the electronic applications used in KDIPA's works, and to transparently provide information about KDIPA's procedures to both the investors and the public. KDIPA started preparing a number of "success stories" to be posted on its website, as well as to relay in generating digital marketing and e-mail marketing targeting investors. Various concept for updating KDIPA's website were formulated to upgrade it.

During the same period, KDIPA prepared for launching a digital campaign using social media to raise awareness on its role and mandate, its establishing Law, and the advantages of investing in Kuwait. A contract has been signed with a local company to execute this digital campaign as of March 2017, for a period of six months, along with arrangements for holding regular meetings to keep up with the progress of the digital campaign.

Social Media Platform	Metrics	Target
Facebook	Video views	65,000
Google Search Engine Marketing	clicks to website	4,500
Google Display Network	clicks to website	12,200
Youtube Ads	Video Views	80,500
Instagram sponsored Ads	Impressions	1,250,000
LinkedIn	Clicks	2,600
Twitter	Engagements	40,000



## Other measures undertaken in social media marketing, included:

- ◆ Booking advertising space on fdimagazine's website starting the August 8, 2016 to September 27, 2016.
- ◆ Posting ads and a total of (21) pictures and (4) videos on Twitter, Instagram, Facebook and KDIPA's website.
- ◆ Detecting a total of (25) social media news circulated about KDIPA.
- ◆ Publishing the video "Kuwait - Discover the Opportunity" on KDIPA's YouTube channel.
- ◆ Preparing specialized tweets about KDIPA and investment to be published on KDIPA's account on Twitter.
- ◆ Using live social media broadcast for KDIPA events.
- ◆ Identifying KDIPA's keywords for Google Drive search.
- ◆ Developing the design for (KDIPA App) for mobile applications.

## 11. Public Relations

KDIPA managed to promote the public relations activity to improve the internal channels of communication and regulate the external communication with mass media and social media, as well as coordinating the General Manager's meetings with mass media, including magazines like "Al-Sena'i", issued by Kuwait Industries Union, and "Marmore". In this respect, (76) circulars were sent electronically to KDIPA's staff During the report period; including (29) administrative circulars for events and holidays, (39) circulars for work regulations and (8) circulars from KDIPA's management in Al Hamra Tower (KDIPA's headquarters). (75) news stories of KDIPA's activities were published to its website and (44) daily bulletins have been prepared containing news briefs. The briefs encompassed topics related to KDIPA itself, economy and investment- either locally, regionally or internationally- and distributed electronically to the employees; in addition to contributing to the coordination of iKDIPA database. Several internal social activities were also held with offerings that



A promotional video clip by KDIPA to highlight Kuwait's main attributes as a dynamic market.

## promote the internal harmony and foster work environment, including:

- ◆ Organizing an awareness day for diabetes for KDIPA's employees in conjunction with "Dasman Diabetes Institute" at KDIPA's headquarters in line with the global campaign for Diabetes Awareness.
- ◆ Organizing a blood donation campaign for KDIPA's employees.
- ◆ Service Offer Initiative for the benefit of KDIPA's staff.
- ◆ Honoring KDIPA's Director of Financial Affairs on the occasion of his retirement.



## 12. Targeting Investors

KDIPA embarked on developing its investors targeting strategy document identifying in it sectoral priorities, classification of global companies, potential targeting mechanisms, creating a communications register to log activities and collected data from investors. In this context, an integrated framework was prepared for an external outreach promotional campaign entitled “Kuwait Investment Outreach - KIO” roadshow with a proposed action plan, agenda, sponsorships, and estimated budget. A meeting was held with a number of international specialized companies to discuss partnership potential and to select one to jointly implement this campaign. In this regard, a dedicated email was created to facilitate communicate with investors:

Invest@kdipa.gov.kw.

## Chapter Five – Activities for Streamlining Business Environment & Competitiveness

### 1. Streamlining Business Environment

KDIPA, as per its mandate, pursued its advocacy role pertaining to streamlining business environment in Kuwait, enhancing its competitiveness, and detecting progress in Kuwait’s position in the various key international indices. In this context, KDIPA prepared a press release and an analytical report, which reviewed Kuwait position in Ease of Doing Business Report 2017 (DB2017) that was released by the World Bank Group (WBG) on October 25, 2016. This analytical report demonstrated areas of improvement in Kuwait rank out of 190 countries listed in it, and its distance to frontier score (DTF) over time series extending from DB2010 to DB2017, as well as showing recorded reforms that contributed to improve business environment in Kuwait. KDIPA continued to act upon its designation to head the “Permanent Committee for Streamlining Business Environment in the State of Kuwait” (PCK), established

## 13. Kuwait Investment Forum 2018

After the accomplished success of the first Kuwait Investment Forum (KIF2016), KDIPA decided to proceed with convening it biennially. In this context, preparations started by formulating different scenarios on the perception of the second Kuwait investment Forum (KIF2018). A general meeting was held to review these proposed suggestions in order to construe a clear vision and integrated detailed action plan, covering the marketing strategy focusing on attracting investors, in addition to the public relations (PR) plan, the proposed program of the forum, budget and sponsorships. KDIPA was keen to follow up with the interested investors with whom bilateral meetings were held during (KIF2016).

in accordance with Council of Ministers Decision No. (1551) of 2013 on December 18, 2013, and subsequent decisions, particularly the Council of Ministers Decision No. (177) of 2017 which entailed changing its name to “Permanent Committee for Streamlining Business Environment & Enhancing Competitiveness in Kuwait”, expanding its membership to 13 entities that included 10 government entities (Ministry of Commerce & Industry (MOCI), Kuwait Municipality, Ministry of Justice, Ministry of Electricity and Water, General Administration of Customs, Ministry of Finance (Tax Division), Central Bank of Kuwait (CBK), the Supreme Council for Planning and Development, the General Authority for Manpower, and the Public Authority for Civil Information, as well as adding representatives), and adding Kuwait Chamber of Commerce and Industry as representative of the private sector, as well as Kuwait National Competitiveness Committee, and Kuwait Economic Society, representing civil society organizations. Follow-up teams were assigned by the members of PCK to facilitate coordination with KDIPA. AN orientation meeting was held in KDIPA premises to introduce the follow up teams to nature of cooperation needed.



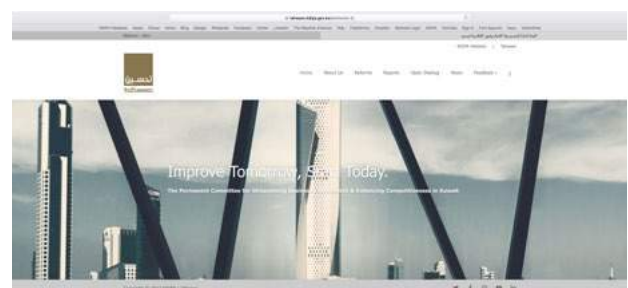
KDIPA and PCK members' participation in the technical meeting in Washington D.C. with the World Bank Group Doing Business experts.

KDIPA prepared the official "Third National Report on Non-Exhaustive Reforms in Doing Business in the State of Kuwait" in May 2016 depicting overall areas of improvement in Kuwait's business environment. It also filled the WBG templates listing updates of relevant reforms, including measures, achievements, ministerial and administrative decisions, received from various competent government authorities during the scheduled report period (April 1, 2015 to April 20, 2016) and submitted to DB team at Washington D.C. On the other hand, KDIPA gave two presentations featuring the work performed to the Economic Affairs Committee at the Council of Ministers and to KDIPA's Board of Directors.

During the report period, KDIPA submitted to the Council of Ministers, in accordance with its establishing decision PCK fifth and sixth periodic reports. KDIPA sought to continue coordination with the members of the PCK and their follow-up teams to discuss and approve the proposed "National Agenda for Improving the Business Environment in the State of Kuwait for the Short and Medium Terms", dubbed as Tahseen program. Under it five topics were included out of ten topics that make the Ease of Doing Business Index, which measures aspects of regulation affecting the regular life cycle of a business. These topics covered: starting a business, dealing with construction permits, registering property, trading across borders, and resolving insolvency. Later on the sixth topic was added on getting electricity. The National Agenda was the outcome

of continuous coordination between KDIPA and the competent government authorities, whether they are members of the PCK or from outside, and the respective follow up teams emanating from them, with technical support from the World Bank to support ongoing efforts to identify reform priorities to improve business environment in Kuwait.

A technical workshop was held at KDIPA's headquarters during the period May 16 -18, 2016 to better understand and analyze the methodology used to measure the topics comprising the Ease of Doing Business Index in view of Kuwait position in DB2016. The workshop was attended by the follow-up teams formed by the competent government authorities' members of the PCK. Another interactive workshop was held on June 1, 2016, also at KDIPA's premises to discuss and prioritize reforms to improve business environment in Kuwait. Members of the PCK and their follow up teams participated in this workshop. The PCK members held a meeting on November 8, 2016, to review the proposed "National Agenda for Improving the Business Environment in the State of Kuwait" then submit to the attention of the Council of Ministers.



During the report period, “Tahseen” portal was launched to be a platform for portraying updates and follow up of work progress. Members of the PCK were asked to nominate a point of contact (POC) St from their side to follow the implementation of Tahseen program, connect with its electronic gateway on KDIPA’s website, and develop the dashboard to organize inputs and follow-up updates of “Tahseen” procedures, upload it, and generate periodic progress reports. On the other hand, the PCK members were called upon for establishing and updating their respective legal database for relevant the laws and decisions that support the streamlining of business environment and enhance transparency of their websites.

Within the scope of the technical agreement with the World Bank, KDIPA, the PCK, and the accompanying government delegation, participated in an intensive 3-day technical meeting with the experts of WB Doing Business team was held at their headquarters in Washington D.C. during the period March 6-8, 2017, to promote the implementation of “Tahseen” program. The Minister of Commerce and Industry, Chairman of the Board of Directors of KDIPA provided the opening remarks for the meeting that was also attended by a number of high level senior officials at the World Bank. The meeting tackled Kuwait’s position in the Ease of Doing Index 2017 in detail, reviewed best practices, diagnosed the current situation, and prioritized actions and required improvements that would yield a more favorable business environment.

Members of the PCK were addressed to provide all the updates of various aspects of business regulations to enable KDIPA to prepare the official “Fourth National Report on Non-Exhaustive Reforms in Doing Business in the State of Kuwait” for the upcoming DB2018 report.

Furthermore, KDIPA organized “The Third Open Dialogue” between the public and private sectors attended by the Minister of Commerce and Industry, Chairman of KDIPA Board of Directors, and a number of the PCK members, the Director of the World Bank Office in Kuwait and the technical sup-

port team, as well as some of the contributors from the government and the private sector who filled the survey questionnaires for doing business team at WBG for the DB2017 report. The meeting agenda included providing an overview on Kuwait position in DB 2017 report, highlighting main components of the National Agenda for Improving the Business Environment in the State of Kuwait (Tahseen Program), presenting Tahseen portal that will serve as a platform for monitoring developments in business environment, decisions and relevant laws, and clarifying the role of gender in business for Kuwait pertaining to starting a business, registering property, and enforcing contracts. The dialogue concluded with a series of questions addressed to members of the PCK, which they subsequently answered.

Following that dialogue, KDIPA conducted, as it usually does, field visits to a total of 17 contributors who responded to WB survey questionnaires for DB2017 report, including 8 government entities, 9 private sector firms operating in legal, consultancy, logistics, general trade and contracting services. Based on outcome of the dialogue and the field visits, the Third Report on Obstacles and Proposals was prepared, which classified reported obstacles into administrative, procedural and legal barriers, and identified the government entities responsible to resolve them and provide the needed facilitation within the proposed solutions. Furthermore, the report included a section dedicated to private sector proposals that would contribute to improve the business environment through these established open channels.

“ The National Agenda for streamlining the business environment in the State of Kuwait (Tahseen Program) the result of coordination between KDIPA and relevant entities. ”



## 2. Enhancing Competitiveness

KDIPA proceeded in the implementation of its project study for “Improving Kuwait’s Global Competitiveness: Engine for Transformation into Knowledge and Innovation-Based Economy” enlisted under the Second Medium-term Development Plan (2015/2016-2019/2020) in collaboration with Kuwait Institute for Scientific Research (KISR), the project consultant. A joint meeting was held between both parties to detail the upcoming steps and identify the agreed upon deliverables and the accompanying workshops. In this regard, 4 technical reports were received so far that are:

#	Report
1	Building and Documenting the database for Improving Kuwait Global Competitiveness - August 2016.
2	Preliminary Analysis of the Database on Improving Kuwait Competitiveness - October 2016.
3	Country Experiences and Best Practices in Economic Transformation for Sustained Growth and Competitiveness - November 2016.
4	Kuwait Enterprise Innovation Assessment Survey (2013 – 2015) - March 2017.

KDIPA team was offered the accompanying four workshops of the above-completed project phases by KISR team, including training on implementing the first field survey on innovation in Kuwait.

A meeting was held with representatives of the Central Bank of Kuwait (CBK), Ministry of Finance, Ministry of Commerce and Industry(MOCI), and Central Statistical Bureau (SCB) to discuss investment data to be used in the study project. Another meeting was held with the Kuwait National Competitiveness Committee to benefit from their recommendations for Kuwait based on its position in the Global Competitiveness reports of World Economic Forum (WEF)

since the first report Kuwait entered (2005/2006) till the latest one.

The first field survey on innovation on the supply side covering the private enterprises was completed within the framework of the project, after approving the draft questionnaire that covered 400 private local companies operating in different sectors, in coordination with Kuwait Chamber of Commerce and Industry (KCCI) that invited the selected sample of Kuwaiti companies.

During the report period, KDIPA continued to coordinate with the General Secretariat of the Supreme Council for Planning and Development (GSSCPD) to follow up with implementation progress of its listed projects in the Second Medium-term Development Plan (2015/2016-2019/2020), by conducting monthly and quarterly compliance updates using the designated automated system for both its projects: “Improving Kuwait’s Global Competitiveness: Engine for Transformation into Knowledge and Innovation-Based Economy”, which is listed under the international position pillar of the NewKuwait National Vision 2035; and the establishment and development of free zones in Kuwait, listed under the pillar of diversified and sustainable economy. A special committee for Planning and Follow-up was formed in coordination with the GSSCPD in accordance with the provisions of Law No. (7) of 2016 regarding development planning to ensure achievement of the objectives of the investment sector in Kuwait in light of the general directions of the national plan.

“ In cooperation with the Kuwait Institute for Scientific Research (KISR) KDIPA completed the first innovation survey as part of its competitiveness project.”



## Chapter Six - Supporting Activities

### 1. KDIPA's Strategy

KDIPA prepared its first strategy for the period from 2017 to 2020 utilizing internal resources, and adopting an interactive bottom-top method through which all the administrative units up to top management participated. A total of (30) projects were identified in the implementation action plan of KDIPA's first strategy, along with the key performance indicators (KPIs) criteria as committed by the administrative units themselves.

KDIPA based its first strategy on the following considerations and was guided by: results of its SWOT analysis; the National Vision 2035 dubbed «New Kuwait» and its seven pillars; targets of the Second Medium-term Development Plan of Kuwait (2015/2016-2019/2020); Kuwait commitment to achieve the United Nations Sustainable Development Goals SDGs (2015-2030); the United Nations Conference for Trade and Development (UNCTAD) Investment Policy Framework for Sustainable Development (IPFSD) and its recommendations.









The Board of Directors approved the strategy, and three orientation meetings were held attended by all employees in various administrative units under KDIPA's three divisions to introduce the strategy to them, disseminate its components, and to build internal consensus.

On the other hand, a follow-up dashboard was developed listing required steps for each project and identifying the point of contact (POC) to facilitate







monitoring the progress of the plan, measuring achievements, and following on KPIs. The dashboard was launched under (iKDIPA) internal database to assess its progress, to highlight obstacles, if any, and means to handle them, while fostering an ongoing learning culture in KDIPA.







The first strategy overall target was set to raise the cumulative inward direct investments to US\$4 billion by 2020.

KDIPA first strategy categorized the projects with regard to its 7 strategic directions and according to their contribution to the relevant pillars of the National Vision 2035 as follows:

National Vision Pillars	 Effective Government	 Diversified & Sustainable Economy			 Prominent International Position	 Innovative Human Capital
KDIPA's Strategic Directions	1. Empower KDIPA as a "center of institutional excellence" to perform its mandate efficiently	2. Contribute to the local drive for enhancing economic diversification. 3. Attract a larger share of value added direct investments.	4. Build Kuwait Brand as a lucrative investment location.	5. Assure best services & aftercare for investors.	6. Enhance Kuwait Competitiveness & foster a favorable investment climate	7. Nurture a learning environment for developing competencies & skills of KDIPA's employees
Total Projects:						
30	9	5	6	5	2	3

### KDIPA's First Strategy projects

 Effective Government	 Diversified & Sustainable Economy			 Prominent Global Position	 Innovative Human Capital
1. Follow up of strategy implementation	1. Roll out investor targeting campaign and Kuwait Investors Outreach (KIO)	1. Develop an internal database and mechanism to document and maximize KDIPA's participation in bilateral committees and agreements, and other arrangements relating to the protection and encouragement of direct investment.	1. Establish an electronic Investment Register	1. Follow up the implementation of the "National Agenda for Streamlining Business Environment in Kuwait", under the Permanent Committee for Streamlining Business Environment & Enhancing Competitiveness in Kuwait, established by the Council of Ministers, and with technical support by the World Bank.	1. Strengthen internal communications on administrative, organizational and social matters and staff engagement by establishing ikdipa
2. Effective Government	2. Prepare detailed Master Plan for Economic Zones (Abdali first then two other economic zones in Wafra and Al Na'ayem).	7. Strengthen KDIPA's network with the local, regional and international chambers of commerce & industry, diplomatic missions both inside Kuwait and its missions abroad, regional & international organizations	2. Develop a follow-up & aftercare mechanism with licensed investors	2. Complete the study on "Enhancing Kuwait's Competitiveness in International Indices –Leveraging Shift into Knowledge economy & Innovation Based Development Path", with KISR.	2. Establish an internal database to disseminate knowledge, including reports from conferences, information from training courses and workshops, as well as other information that might benefit the employees through iKDIPA.

 Effective Government	 Diversified & Sustainable Economy	 Diversified & Sustainable Economy	 Diversified & Sustainable Economy	 Prominent Global Position	 Innovative Human Capital
3.Launch administrative development by reviewing all KDIPA's job descriptions.	3.Follow-up on the Council of Ministers Decision No. 9072016/ that transferred the management of free zones from MOCI to KDIPA.	3. Strengthen KDIPA's strategic relations with the media, both local and international.	3. Organize KDIPA's operations within National One Stop (KBC) to facilitate issuance of commercial licenses and establishment procedures		3. Provide quality-training courses, customized to needs, to enhance the professional and technical capabilities of KDIPA staff.
4.Implement quality management system (ISO 9001:2015).	4.Follow-up on the Council of Ministers Decision No. 11542016/ that transferred allocation of commercial plots from MOF to KDIPA, coordinating with Kuwait Municipality in this regard.	4. Launch a local awareness campaign on KDIPA's role and tasks.	4. Measuring economic impact of licensed projects according to stated criteria.		
5.Construct, develop and implement a fully integrated Enterprise Communications Model (ECM).	5.Manage existing Offset obligations to better support Kuwait's developmental priorities in accordance with directions of Council of Ministers.	5. Organize the Second Kuwait Investment Forum (KIF2018).	5. Develop a mechanism for receiving complaints and comments and classify the level of handling them according to their nature.		
6.Establish G2G e-links for government transactions and stamps		6. Launch first digital marketing campaign with a specialized local media company.			
7.Build and improve KDIPA's IT infrastructure and cloud network.					
8.Build cooperation network with relevant bodies to preserve KDIPA's rights in court cases against it.					
9.Develop internal administrative, legal, and procedural manuals to ensure consistency of workflow and operations.					



KDIPA delegation visiting Mohammed bin Rashid School of Government in Dubai

## 2. ISO Certification (9001 : 2015) Project

KDIPA prepared a roadmap for the implementation of the ISO 9001: 2015 certification standard to encourage the adoption of the principles of quality, efficiency and effectiveness based on the recommendations of Phase I of the report prepared on the possibility of obtaining the ISO 9001: 2015 certification. The report was based on a desk study and several field visits conducted to gain more knowledge on the experiences of selected government and private entities in this regard. A general meeting was held during which a visual presentation was made highlighting the main features of the report based on which to conclude a recommendation to embark on the project implementation. The terms of reference (TOR) of the project were prepared, and the scopes of work as well as the input-output deliverables were articulated to submit for tendering the project to qualified companies. A unified template was designed and approved to document the workflow procedures followed by KDIPA's different administrative units. A workshop was given to explain the implementation mechanism, how to document the workflow procedures in the required method as well as assigning point of contact (POC) for every department for this project. KDIPA ISO team also completed a professional training program on Certified Quality Improvement Associate (CQIA), a proficiency granted by the American Society for Quality (ASQ); the team also attended a conference on quality best practice held in Kuwait.

## 3. Human resources development

KDIPA was keen to prepare and execute an effective training plan based on the training needs of all the administrative units to advance the competencies and skills of its employees, including external and internal programs contracting experts or specialized firms. In the same context, the draft-training plan for the financial year FY2017/2018 was prepared. During the report period, 27 training providers were contracted from the following parties: government entities (Kuwait Anti-Corruption Authority (Naza-ha), Capital Market Authority (CMA), Civil Service Commission (CSC), Ministry of Finance, and the Central Agency for Public Tenders); universities and academic colleges (Australian College of Kuwait (ACK), and the Public Authority for Applied Education and Training (PAAET); regional and international organizations (International Monetary Fund IMF's Middle East Center for Economics and Finance (CEF) in Kuwait, the Arab Administrative Development Organization (ARADO), and the Arab Planning Institute); local and external specialized training companies; as well as the civil society organizations (Kuwait Association of Accountants and Auditors). KDIPA visited Mohammed bin Rashid School of Government in Dubai to discuss cooperation in the field of human resources training, preparation of government leaders. It met Ernst & Young and Kuwait Banking Association (KBA) for the same purpose. During the

report period, 162 staff members benefited from 47 training programs, of which 70% was executed locally, and 30% abroad. The core of training programs focused on attaining two major themes: the first theme to enhance core competencies of KDIPA employees according to their specialties and the

nature of their professional work; the second theme to develop the general linguistic, technical and administrative skills required to develop the working practices.

The executed training programs are listed in the table as follows:

Local Training Program	
Data Analysis Skills and Macroeconomic Reporting	Building marketing skills during sales, negotiation and promotional campaigns
Human development and development strategies	Developing legal tasks and contractual negotiation strategies and preparing presentations
Oracle system for automated inventory management	Methods for P5rojects economic evaluation and benchmarking
Improving Competitiveness in the Middle East and North Africa Countries	Excellence in Service, Customer Care and Fast Track Performance
Strategies for attracting foreign investments	Legal concepts for the non-legal
Advanced methods in evaluating investment projects	Preparing meeting's agenda professionally
Evaluation and economic feasibility of investment projects for decision makers	Advanced methods for procurement, bidding and Contracts management
Handling complaints, objections and fast track solutions	Preparing final accounts
Windows server 2012	Methods of data collection and statistics
Media and advertising promotion and marketing	ITIL v.3 Foundation
Development policies based on diversification of economic activity	Skills for preparing local development strategies and policies
The Role of Civil Service Regulations and Laws and the Public Function in Institutional Excellence	Identifying the training needs of the divisions and preparing the training plan
Modern trends to raise the efficiency of accountants in the public sector	Data collection methods
Administrative violations and investigation	Generating the creative Vision and how to set goals and strategic plans
Excellence and development in administrative affairs	The art of negotiation and persuasion
Organization and development of business methods	Marketing through social media

External Training Programs	
<p>Preparing statistical reports for investments and data analysis according to approved standards</p> <p>Financial analysis skills</p> <p>Modern methods in organizing marketing campaigns</p> <p>Planning, follow-up and performance evaluation skills</p>	United Arab Emirates
<p>Modern trends to analyze and identify training needs</p> <p>Recent trends, practical problems and jurisprudence in arbitration</p> <p>Training and Scholarship Systems</p> <p>Budget preparation and cost control</p>	Arab Republic of Egypt
<p>Work ethics</p> <p>Crisis Management</p>	France
<p>Governance and anti-corruption systems in the public sector</p> <p>Program to promote trade and investment</p>	Singapore
<p>Mechanisms to follow up and evaluate development plans</p>	Turkey
<p>Managing Economic Zones</p>	United Kingdom



An orientation program for new hired employees was organized and executed during the period September 25 – October 3 2016. KDIPA third recruitment campaign, based on assessing staff needs for FY 2017/2018, launched and advertised in the local press. The applications were received and sorted, and a list of qualified applicants was prepared to proceed to the next recruitment phase for tests.

KDIPA attended 4 events relating to human resource development, which included: the Second Gulf Conference for Human Resource Development in Kuwait titled “Together ... to achieve sustainable human development”; the 12th annual meeting of the Arab Administrative Development Organization (ARADO) in Cairo, Egypt; the Third Arab Conference on Administrative Reform and Development titled “The Role of Civil Service and Public Service Regulations and Laws in Institutional Excellence” held in Cairo, Egypt; and the introductory meeting on “National study to explore the needs of the labor market in the State of Kuwait for jobs based on knowledge, innovation and scientific research in the next five years”, held at the headquarters of the General Secretariat of the Supreme Council for Planning and Development (GSSCPD).

On the other hand, KDIPA completed the questionnaire of the Ministry of Higher Education and the University of Kuwait on the “Study of the alignment between the outputs of higher education and the needs of the labor market in the State of Kuwait” to determine the jobs requirements based on academic specialization (2021-2017).

#### 4. Legal Affairs

KDIPA provided its opinion and suggestions on several draft laws within the existing cooperation mechanism with other government entities, particularly draft laws regarding the following: capital gain tax, unified tax procedures, government Islamic bonds (Sukuk), commercial register, civil aviation, public tenders and its executive regulations, commercial agencies and its executive regulations. In addition to providing opinion on a draft resolution on the

exemption of depositing wages of expatriate labor in certain activities in the local financial institutions. KDIPA also participated in coordination meetings with government entities in the public sector to formulate unified visions.

KDIPA has also undertaken the necessary legal measures to respond to the Foreign Ministry on issues including: Free Zones Agreement with Indonesia; the bilateral Investment Protection and Promotion Agreement proposed by Brazil; the follow-up of the 7th round of FTA negotiations between the GCC countries and the People’s Republic of China; and the Arab League request to convene a meeting for the countries that ratified the amendments of the “Unified Agreement for the Investment of Arab Capital in the Arab States”. KDIPA also responded to the Ministry of Commerce and Industry (MOCI) letter regarding UNCTAD annual survey on updates of the country’s International Investment Agreements (IIAs) and national investment laws. Legal memos were prepared internally on matters relating to contracts, investment operations and the Countertrade “Offset” program.

KDIPA attended several meetings on legal matters regarding the results of the examination and review of and main observations on KDIPA’s operations in the fiscal year FY 2015/2016. KDIPA met with the Audit Bureau regarding the study of the competences of government agencies, and the discussion of the new public tenders’ law. KDIPA attended a seminar in the and the Central Agency for Public Tenders and a seminar on the introduction of new procurement systems. KDIAP reviewed the terms of reference (TOR) for its new headquarters building project as well as the TOR for Al- Abdali Economic Zone project. KDIPA executed a number of related matters, including addressing its administrative units regarding their feedback and views on proposed amendments to KDIPA’s Law No. (116) of 2013, preparing the guiding instructions to be followed by the departments and sections regarding their procurement operations. Moreover, preparing a memorandum on special conditions, technical specifications, and quantities tables, and responding on the inquiry

regarding imposing the tax subrogation of holding 5% of the value of bills, requesting to subscribe to the website of Kuwait official gazette "Al-Kuwait Al Youm", renewing the subscription to "Kuwait's Lawyers" database, and adding to it the service pertaining to legal basis.

## 5. Information Systems

KDIPA continued to strengthen its information technology (IT) systems accommodating the rising work needs of the current and future administrative units and to support advancing the overall IT infrastructure of devices, networks, security and protection systems against viruses, as well as installing, repairing and maintaining of these devices and systems. In this context, KDIPA distributed and installed computers to new employees, modified the network infrastructure through the extension of fiber optics between its headquarters floors, established a storage system using Network Attached Storage and applied the transfer and file sharing for KDIPA's departments. KDIPA also started the establishment of a central data room; instalment of electronic doors and surveillance cameras activated the cloud network to act as a (Disaster Recovery) site.

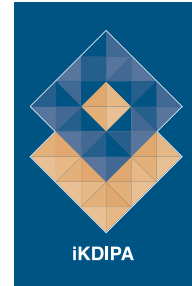
Moreover, it established and activated the website ([www.kdipahdt.com](http://www.kdipahdt.com)) to improve personnel affairs system and improve internal work processes.

On the other hand, to facilitate utilizing external digital linkages, the needed servers for the Government electronic correspondence (G2G) were installed and activated by linking KDIPA to Central Agency for Information Technology (CAIT) through (KIN). KDIPA also linked with the Ministry of the Interior to issue visa for relevant categories, and the linkage system between KDIPA and the Ministry of Finance was established.

During the report period, KDIPA implemented several contracts for the development of IT infrastructure, including the Fiber Optic Contract, Microsoft's Server License Contract, IBM's use of the Cloud Virtual Environment Processing Network, and completing the first phase of KDIPA Cloud Project and establish-

ing needed infrastructure for the internal database (iKDIPA). In addition, it carried out the installation of Websense device to activate the Internet and Intranet control system.

KDIPA's website was modified and a temporary sub-site was established for the new recruitment campaign.



## 6. Financial affairs

KDIPA conducted all the needed financial affairs relating to its work, including preparing the final accounts for its budget for fiscal year FY 2015/2016, and preparing the necessary financial commitments for fiscal year FY 2016/2017 to be able to pay necessary receivables of the various suppliers. KDIPA completed the budget-estimated appropriation for the financial year FY 2017/2018. It issued 518 purchase orders during the report period, and executed orders for a total of 900 requests for expenditure payments and purchase orders. KDIPA also completed the required financial procedures, collected service fees through the electronic portal (K-net), and adopted the GFIMS bank transfer forms, executed direct order contracts, practice order, and amendments orders.

Other tasks included establishing a wireless transfer and exchange service to connect with the Civil Service Commission, as well as procuring, installing and maintaining needed furniture and telephone devices for the offices of the additional 85 new staff hired. The various internal committees formed acted on their mandate of which the Procurement Committee assigned to oversee financial issues related to KDIPA's operations, the Inventory Control Committee, and the Annual Stocktaking Committee. An internal meeting was held, to discuss the project of building new headquarters on the land plot assigned for KDIPA in Sharq area.



## 7. Administrative Affairs

KDIPA executed all the needed measures to manage its administrative affairs relating to its work and employees. It put into account the circulars of the Civil Service Commission issued during the report period namely: circular No. (3) of 2016 regarding certain provisions included in Law No. (21) of 2015 on Child Rights; circular No. (7) of 2016 regarding the abolition of granting staff leave for the preparation and taking of tests; and Circular No. (9) of 2016 regarding the conditions for dispatching staff to attend external training courses and programs, which resulted in the formation of a committee to select candidates for participation in external training courses and programs. KDIPA committed to submit on weekly basis copies of all the administrative decisions to the supervisor of employment affairs and the auditor of the Audit Bureau in addition to providing them with any requested data and documents necessary to perform their role in the prior and subsequent supervision in accordance with the decisions of the Civil Service Commission.

KDIPA completed the recruitment campaign to hire Kuwaiti employees to fill job vacancies according to the manpower needs of its organizational structure and the workload.

Furthermore, KDIPA reviewed and checked the employees' qualifications and performance to prepare relevant decisions for upgrading their employment level and to identify eligible employees for periodic raises and those to be promoted based on seniority. The internal committees exercised their assignments during the report period in accordance with their mandates, of which: the personnel affairs committee, the technical committee, the committee to raise the professional level of KDIPA's staff, which is formed by the Director General Decision No. (287) of 2016, the Inventory committee, and the Offset Committee to study issues of relevance to the Offset program.


KDIPA prepared and executed required administrative decisions regarding the official missions of employees and participation in external training programs to advance its human resources.

On another note, KDIPA attended meetings with the Ministry of Finance to discuss the draft budget, and participated in the periodic meetings held by the Civil Service Commission, and continued to coordinate closely with various regulatory bodies and competent government authorities.

KDIPA acted on its commitment to transform the manual procedures of government correspondence into electronic transactions. In this regard, 88 correspondences were sent and 43 received through the G2G correspondence system to various government entities. All procedures for official missions and external training were executed, and data of assignment, delay, absence and early departure was calculated and entered in the system.







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