



Business Plan Guide

PART TWO
Business Plan Guide

Content of the Business Plan

Project Profile	
<ul style="list-style-type: none"> • Experience & Track record 	The past experiences and achievements of the company and the number of years of experience. Mention similar projects previously executed by the company applying to KDIPA. List any patents, copyrights, trademarks, awards, or other certificates earned by the company.
<ul style="list-style-type: none"> • Classification of project activity based on ISIC. 	Identifying the economic code related to the projects activities that will be undertaken in Kuwait using the International Standard Industrial Classification of All Economic Activities (ISIC).
<ul style="list-style-type: none"> • Project's description and objective. 	The project's mission, vision, target audience, main stakeholders, and goals of the company in Kuwait and how are the goals going to be met? Note: if the objective of the project is one of the following- acquisition, tender or governmental contract, state and explain.
<ul style="list-style-type: none"> • Project's legal entity. 	<ul style="list-style-type: none"> • Kuwaiti company (W.L.L, single person company, or shareholding company). • Branch of Mother Company
Technical Aspect	
<ul style="list-style-type: none"> • Project's operational plan & execution timetable. 	Using a Gantt chart, identify the estimated operational date, employment and other milestones of the project for 3-5 years of operation.
<ul style="list-style-type: none"> • Current and/or previous contracts in Kuwait. 	A description of any current or previous contract in Kuwait.
<ul style="list-style-type: none"> • Location of office and/or site. 	Mention the sites and/or office location of the project in Kuwait.
<ul style="list-style-type: none"> • The estimated amount of annual water and energy consumption. 	For industrial projects only.

Criteria	
Transfer & Settlement of Technology	
<ul style="list-style-type: none"> • Innovative tangible technology 	Transfer and settlement of products, machinery, vehicles, high precision instruments as well as its optimal utilization for the purpose of direct investment.
<ul style="list-style-type: none"> • Innovative intangible technology 	Transfer and settlement of patented technology, copy-rights, trademarks, databases, software production systems, distribution systems, franchises, literary works, applications and other intangible technology which aims to contribute to supporting the digital transformation of Kuwait in the era of the fourth Industrial Revolution (IR4.0).
<ul style="list-style-type: none"> • Research & Development (R&D) for enabling knowledge creation: 	An R&D department to be transferred to the Kuwaiti entity to foster research development and innovation activities undertaken by companies for innovation, development and improvement of their products, services, operations and strategic objectives.
<ul style="list-style-type: none"> • Modern management method 	A management practical system mechanisms, procedure and rules to be introduced and adapted in the Kuwaiti entity for the purpose of enhancing productivity, effectiveness, and efficiency within the area of specialization.
Human Capital	
<ul style="list-style-type: none"> • Job creation for nationals: 	<p>The creation of job opportunities for national employees:</p> <ul style="list-style-type: none"> - Category One: Investment entities with a total number of 25 and above employees falls under the Council of Ministers Decision No. 1028 of 2014 regarding the National Labor ratios at non-governmental entities. - Category Two: The investment entities with less than 25 employees are not subject to the Council of Ministers Decision, therefore, KDIPA requires a Kuwaitization percentage of 50% or more from the total employment.
<ul style="list-style-type: none"> • Certified training programs 	The training programs provided are expected to be related to the core activity of the project and provided for the employees of the entity. This could include practical, on-the- job, and certified professional training programs to improve the skills of national employees and expand their knowledge.

<ul style="list-style-type: none"> • Corporate scholarship programs: 	<p>Granting corporate scholarship programs for national employees and providing financial support to cover needed expenses throughout the duration of the study period like travel, and accommodation; or providing financial and technical support for national employees to benefit from career-oriented disciplines in certified centers abroad offering intensive training courses to maximize learning and encourage more intensive professional interactions.</p>
Market Development	
<ul style="list-style-type: none"> • Domestic market needs 	<p>Aiming to invigorate the domestic market by improving efficiency, cost saving, diversify and increase national exports while reducing imports. Describe the method of meeting the domestic market need of goods and services both in the framework of forward integration by contributing to the distribution and marketing of output, or backward integration by contributing to raw materials and the value of input.</p>
<ul style="list-style-type: none"> • Use of national products and services 	<p>Purchasing local products and services to satisfy the needs of investment entities and to support the local producers' suppliers' network, to enhance and encourage the domestic market dynamism, decreasing propensity to import, and increasing propensity to export.</p> <p>Provide a list of potential vendors/suppliers along with the type of products and services to be purchased from the local market.</p>
<ul style="list-style-type: none"> • Product Accreditation and Quality Management System 	<p>Any international recognized quality management system and/or product accreditation gained by the mother company to be implemented in the Kuwaiti entity.</p> <ul style="list-style-type: none"> - Product accreditation: any product officially recognized and given credit. - Quality Management System: Any certificate gained by the mother company that recognizes and measures the international quality of the company. - This includes but not limited to ISO certificates, Six sigma, etc. <p>Provide a copy of any certificate gained and state in writing whether this will be applied in the entity to be established.</p>

<ul style="list-style-type: none"> • Contribution of non-oil sector to GDP 	<p>Contributing to developing a diversified and sustainable economy by investing in non-oil economic activities in accordance with the Kuwait National Development Plan.</p>
<ul style="list-style-type: none"> • Industry, innovation & infrastructure 	<p>How will the project promote sustainable economic growth through investment in resilient infrastructure, stimulate and develop industrialization and promote innovation and technological progress.</p>
<ul style="list-style-type: none"> • Fostering competitiveness 	<p>Increasing Kuwait's competitiveness by contributing to the creation of competitive clusters in priority sectors. Does the company plan on having any competitive factor over the existing companies in the Kuwaiti market within the same field?</p>
Financial Aspect	
<ul style="list-style-type: none"> • Project total investment value 	<p>The required investment amount (in KWD) for the execution of the project for the next 3-5 years of operations. The investment value consists of 3 factors: working capital, capital expenditure and the fixed assets.</p>
<ul style="list-style-type: none"> • The investment value breakdown 	<p>Investment Value Breakdown:</p> <ul style="list-style-type: none"> - Capex: The cost of acquiring tangible and intangible assets, as well as the money spent on construction of building and installation. - Working capital: A measurement of the company's liquidity which includes and not limited to the expense of rent, inventory cost, marketing, and admin expenditure. - Fixed assets: long-term property the company owns that is not expected to be converted into cash in a short period of time. This may include and not limited to buildings, computer equipments, softwares, furniture, land, machinery and vehicles. <p>Investment Value= capex + working capital + fixed assets.</p>
<ul style="list-style-type: none"> • Capital structure and shareholder 	<p>The capital structure is how a firm finances its overall operations and growth by using different sources of funds. The capital of a company can be increased in different ways, via a cash injection or via a contribution in kind.</p> <ul style="list-style-type: none"> - Cash: The company's cash. - In-kind Contribution: Is a capital that is not in cash: e.g. incorporation of liabilities in equity, contribution of assets, of a business, receivables or goodwill and which is remunerated by issuance of new shares (either at incorporation of a new company or an increase in share capital).



	<p>*Note: The investment value is the amount contributed to be spent on the new project in Kuwait for the next three to five years. The capital of the project is the initial sum invested at the beginning of the project. If the capital of the company is financed by 'In-kind Contribution' please provide an audited statement of the contribution.</p> <p>*For Application A: a capital is required for the establishment of the entity.</p> <p>*For Application B: the capital amount is the capital of the mother company applying through KDIPA.</p>
<ul style="list-style-type: none"> • Project's Funding source 	Method of funding the entity in Kuwait. Could be through the Mother company and/or local/foreign bank.
<ul style="list-style-type: none"> • Projected financial statements for 3-5 years 	The income statement, balance sheet and cashflow of the project to demonstrate the operating cost of the project for 3-5 years.
<ul style="list-style-type: none"> • Audited financial statements 	A 3-5 years audited historical financial statement of the mother company.