

ANNUAL REPORT

20

21





His Highness the Emir of the
State of Kuwait

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

May God Protect & Bless him



His Highness

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

The Crown Prince of the
State of Kuwait



His Highness

**Sheikh Sabah Khaled
Al-Hamad Al-Sabah**

The Prime Minister of the
State of Kuwait

CONTENTS

Chairman of the Board Message	2	CHAPTER THREE - INVESTMENT OPERATIONS	37	CHAPTER FOUR - PROMOTIONAL ACTIVITIES	57	CHAPTER FIVE - STREAMLINING BUSINESS ENVIRONMENT & ENHANCING COMPETITIVENESS	77
Director General Message	4	1. Investors Service Centre (ISC)	38	1. Kuwait Investment Forum (KIF)	58	1. Streamlining Business Environment	78
Introduction - Executive Summary	6	2. Applications Evaluation Mechanism	40	2. Kuwait Investment Outreach Roadshow	59	2. Enhancing Competitiveness	82
CHAPTER ONE - BOARD OF DIRECTORS	17	3. Licensing Procedures and Collaboration with Competent Authorities	41	3. Interviews and Meetings	59	CHAPTER SIX - SUPPORTING ACTIVITIES	84
1. Board Affairs	19	4. Follow-up of Investment Entities	44	4. Bilateral Committees and Business Councils	60	1. KDIPA Strategy	85
2. KDIPA Affairs	20	5. Managing KDIPA's Incentives	46	5. Memorandum of Understanding	62	2. Following Up on KDIPA's Projects in the Development Plan	91
CHAPTER TWO - THE STATISTICAL REPORT	22	6. The Judicial Officer	47	6. Participating in Events	63	3. Development of KDIPA's Research Capacity (Market Information)	91
1. New Approved Direct Investments in the FY2020/2021	23	7. Listen Consulting Companies and Offices	48	7. Organizing Events	66	4. Quality Management System	93
2. Cumulative Approved Direct Investments 26	26	8. The Offset Program	50	8. Investors Targeting	67	5. Human Resources Development	96
3. Economic Impact	29	9. Economic Zones, Free Zones, and Commercial Plots	52	9. Media Relations	68	6. Legal Affairs	100
		10. KDIPA Headquarters	56	10. Website	71	7. Information Systems	101
				11. Social Media	71	8. Financial Affairs	103
				12. Public Relations	74	9. Administrative Affairs	104
						10. Internal Audit	109
						11. National Military Service	110



Board of Directors



Khalifah Musa'ed Hamadah
Chairman of the Board
of Directors of KDIPA & Minister
of Commerce and Industry



Manaf Abdulaziz Al-Hajeri
Member of the Board
of Directors of KDIPA



Ms. Wafa Ahmad Al-Qatami
Deputy Chairman of the Board
of Directors of KDIPA



Dr. Adel Easa Al-Yousifi
Member of the Board
of Directors of KDIPA



Ahmed Abdullah Al-Manfouhi
Member of the Board
of Directors of KDIPA



Abdulkarim Taqi Abdulkarim
Member of the Board
of Directors of KDIPA

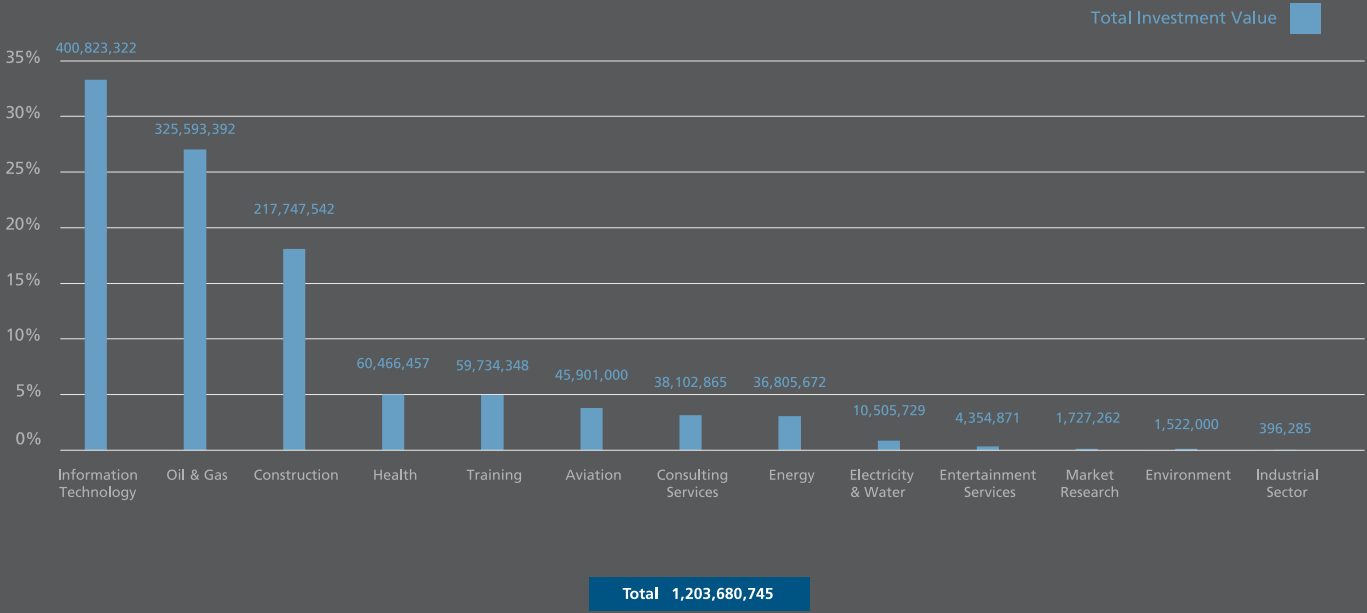


Aseel Al-Saad Al-Munifi
Member of the Board
of Directors of KDIPA

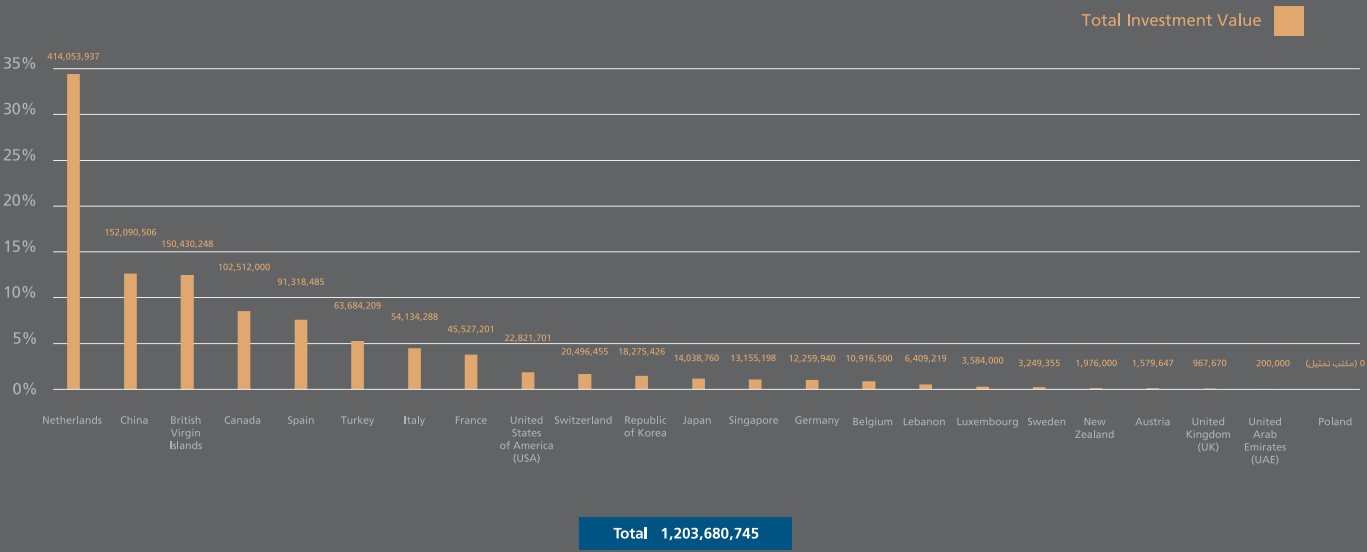
Approved Investment Entities for FY2020/2021

	Investment Volume (KD)	Foreign Equity Share	Legal Form	Country
<div><div></div><div>Weatherford Oil Tool Middle East Limited for Services related to oil and gas extraction, excluding exploration Limited Oil & Gas</div></div>	62,176,431	100%	Branch	British Virgin Island
<div><div></div><div>Leonardo for Aviation Services Aviation</div></div>	45,901,000	100%	SPC	Italy
<div><div></div><div>AVIC International Holding Corporation Construction</div></div>	25,731,377	100%	Branch	China
<div><div></div><div>Roche for the Trade in Medicines, Equipment, Devices and Medical Supplies Health</div></div>	18,626,455	100%	SPC	Switzerland
<div><div></div><div>Vamed Management und Service GmbH Health</div></div>	1,579,647	100%	SPC	Austira
<div><div></div><div>GHP International AB Health</div></div>	3,249,355	100%	SPC	Sweden
<div><div></div><div>Amazon Web Services EMEA SARL for Information Technology and Technical Services Information Technology</div></div>	3,584,000	100%	Branch	Luxembourg
<div><div></div><div>Abdul Kader Mikdash Training</div></div>	2,054,348	100%	SPC	Lebanon
<div><div></div><div>Robert Giltay (Ad Blue) Industrial</div></div>	396,285	100%	SPC	Netherlands
Total		163,298,898		

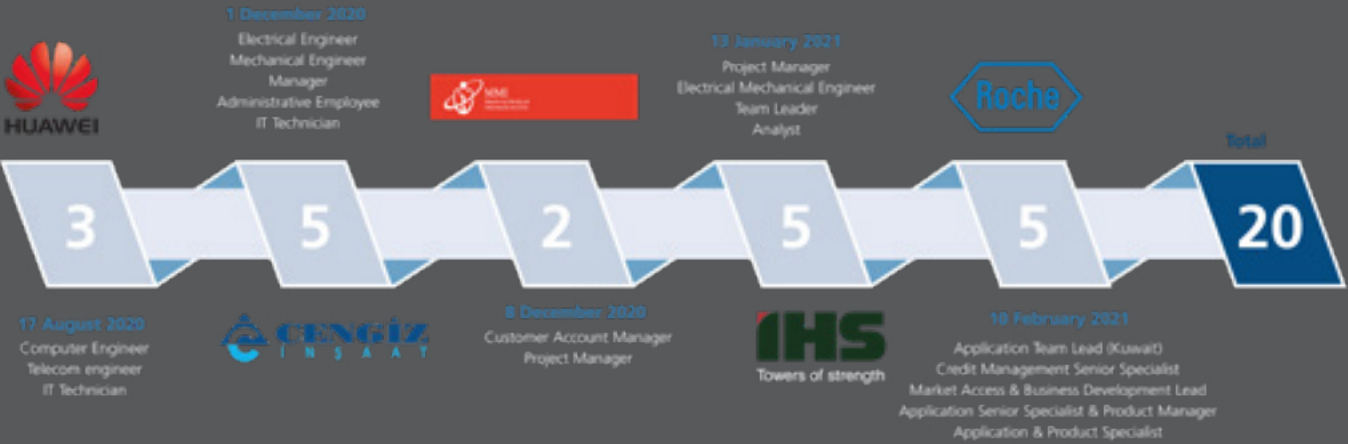
Geographic Distribution of Cumulative Approved Direct Investments (KD)



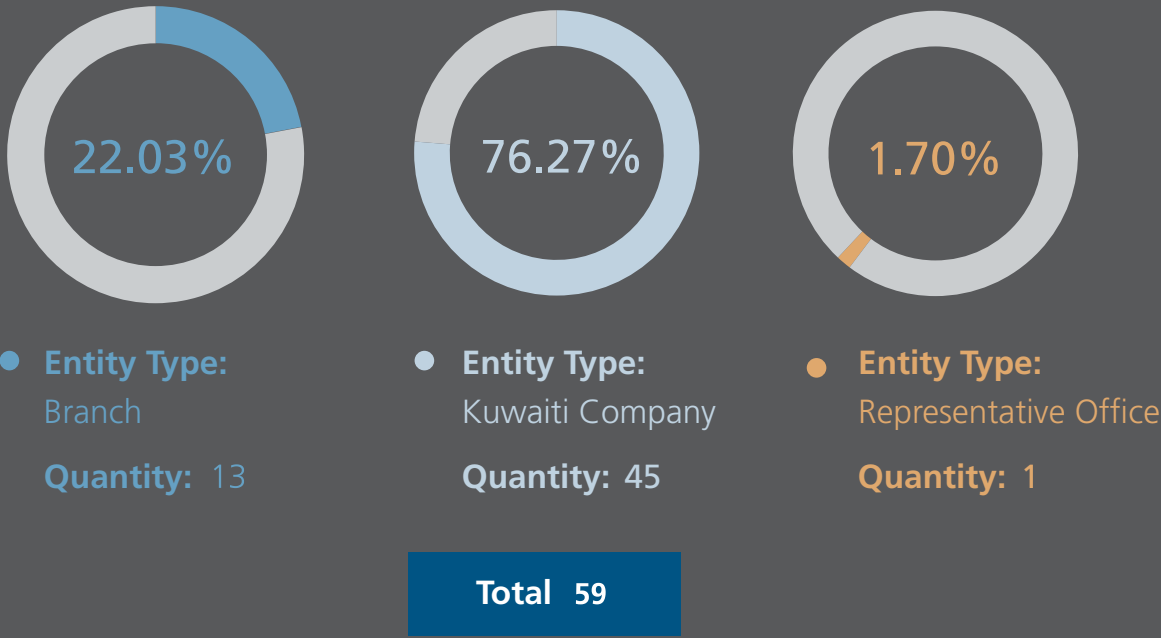
Geographic Distribution of Cumulative Approved Direct Investments (KD)



Recruitment Announcements for Licensed Investment Entities



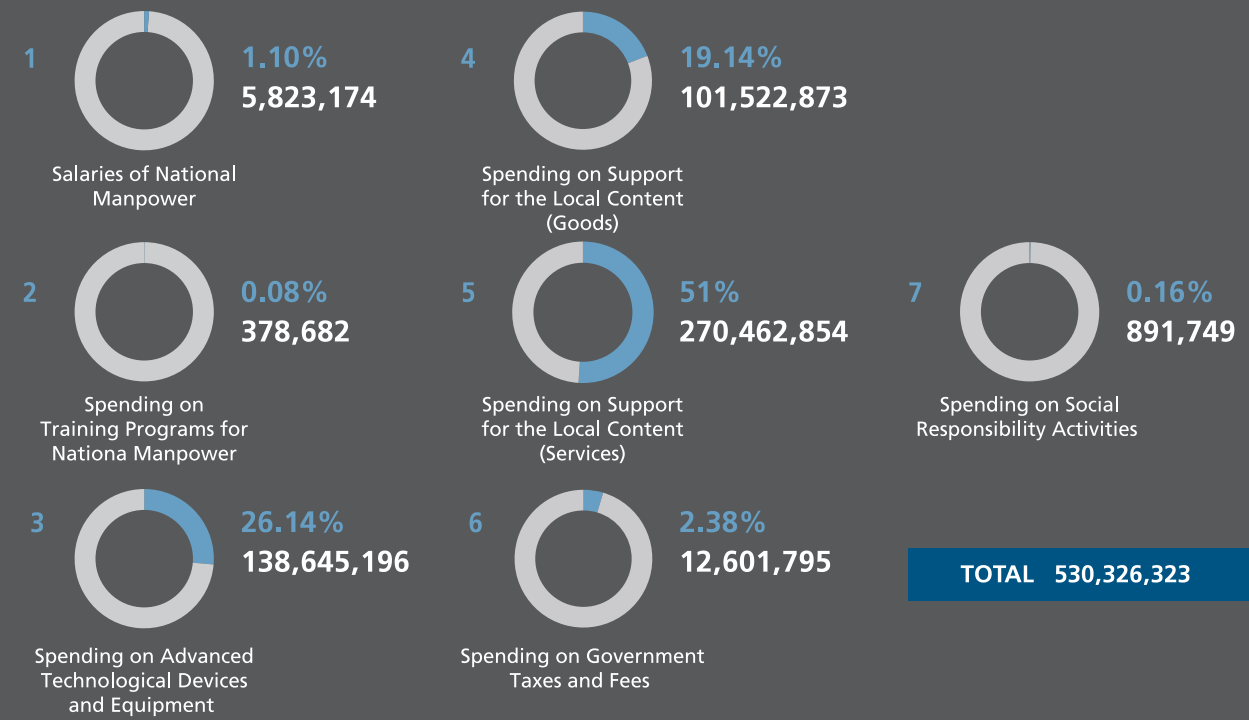
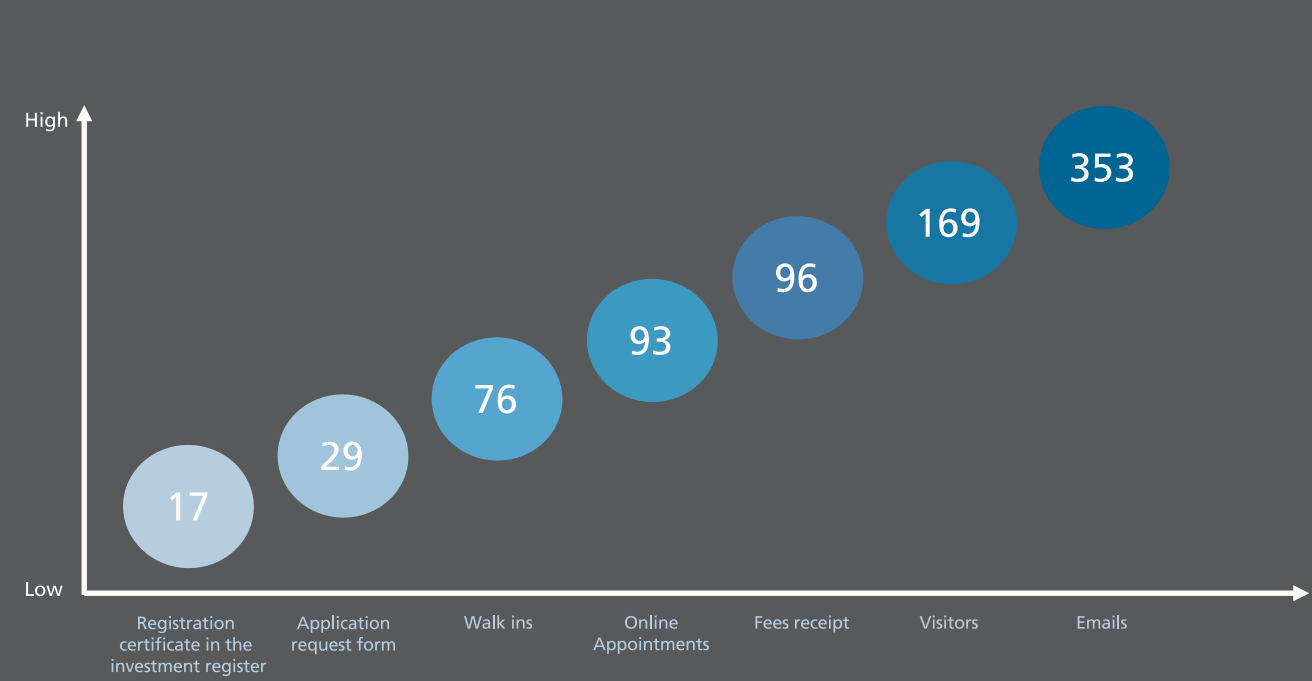
Types of Cumulative Legal Entities



The Criteria Adopted for Measuring The Economic Impact From The Perspective of Expenditure



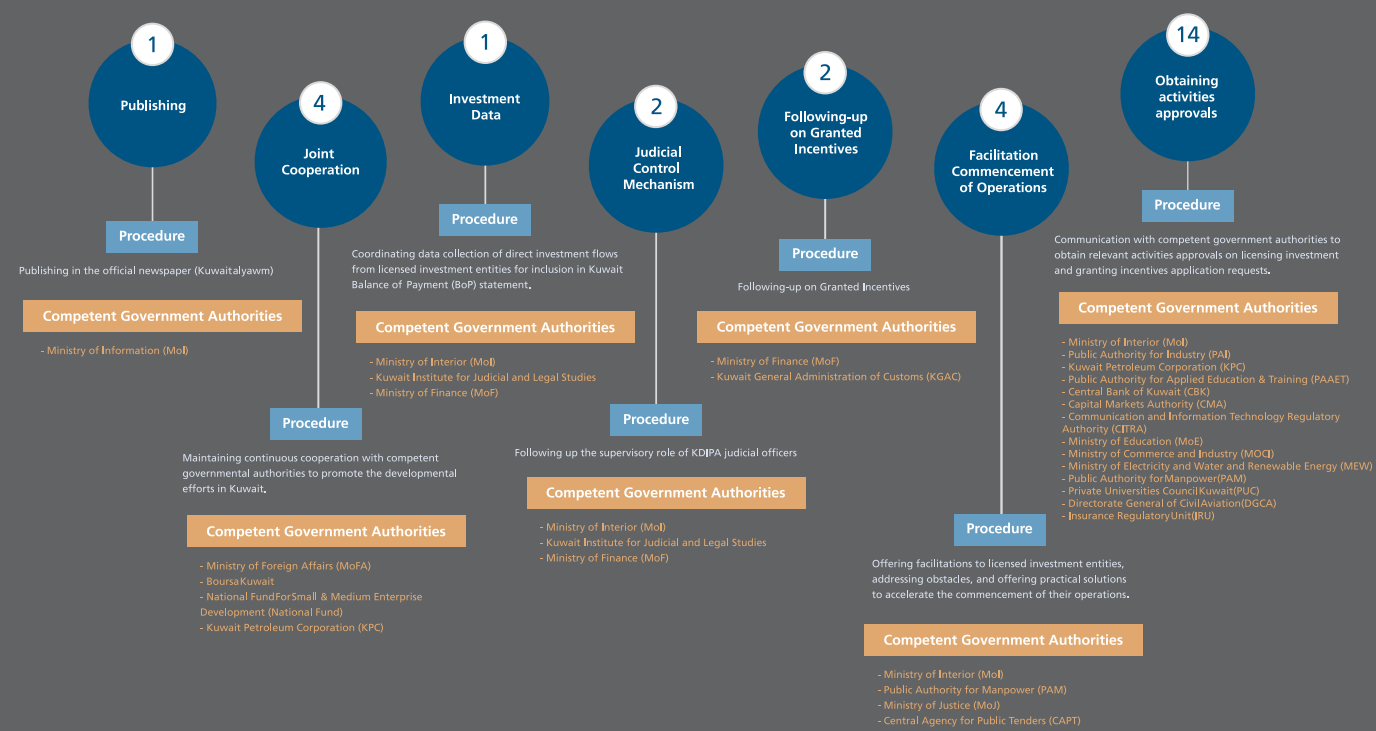
Investors Service Centre Activities



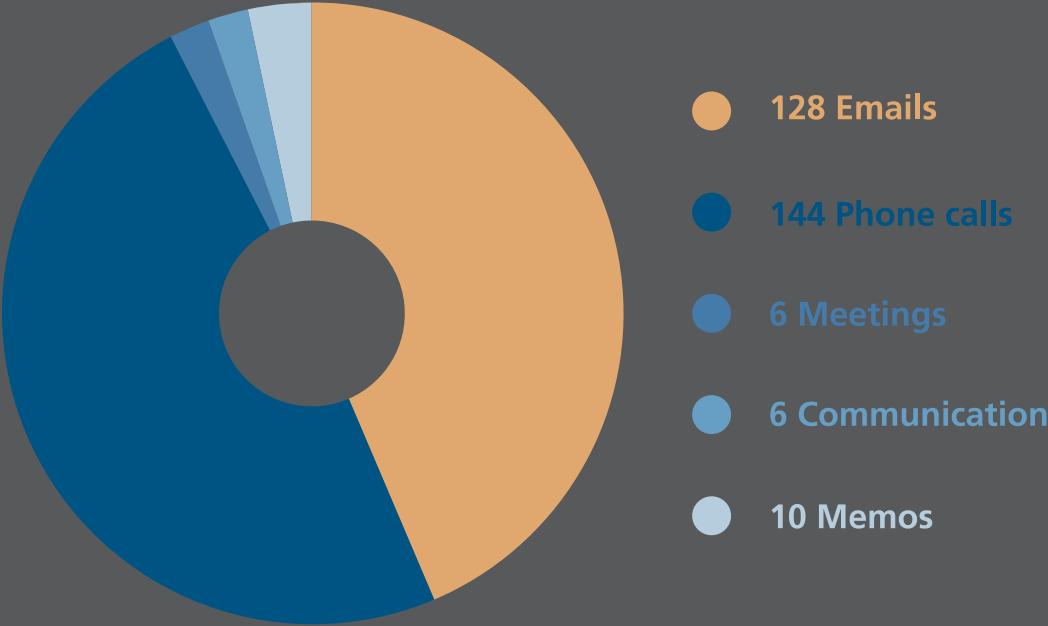
Response of Licensed Investment Entities for Kuwait BoP Statement

Clause	April- June 2020	July- September 2020	October- December 2020	January- March 2021
The number of investment entities to which the survey was sent	25	25	25	32
The number of investment entities that filled in the survey	9	12	19	12
Investment entities that provided data as required	6	8	11	10
Investment entities that did not have data as required	3	4	8	2
Response percentage (%)	36%	48%	76%	37%

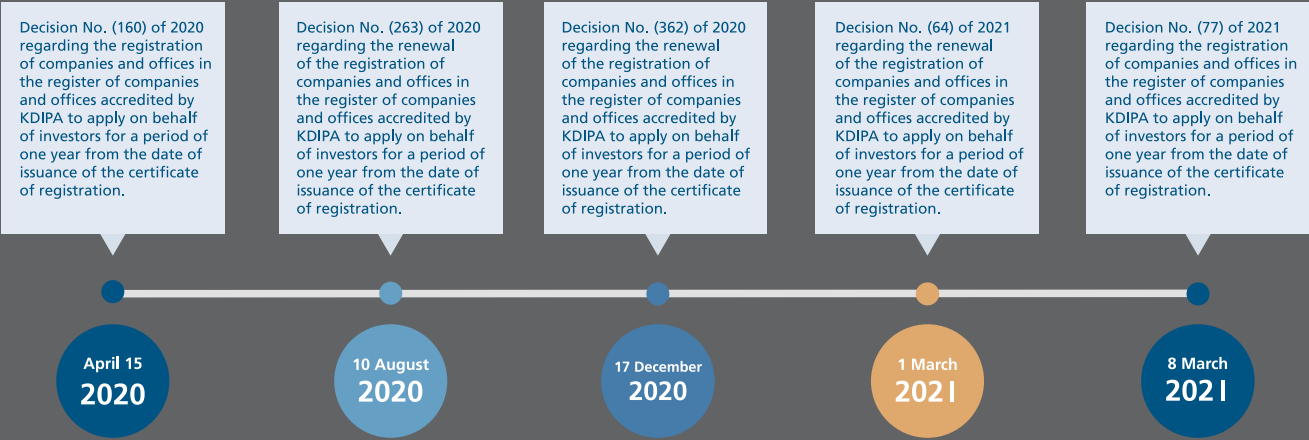
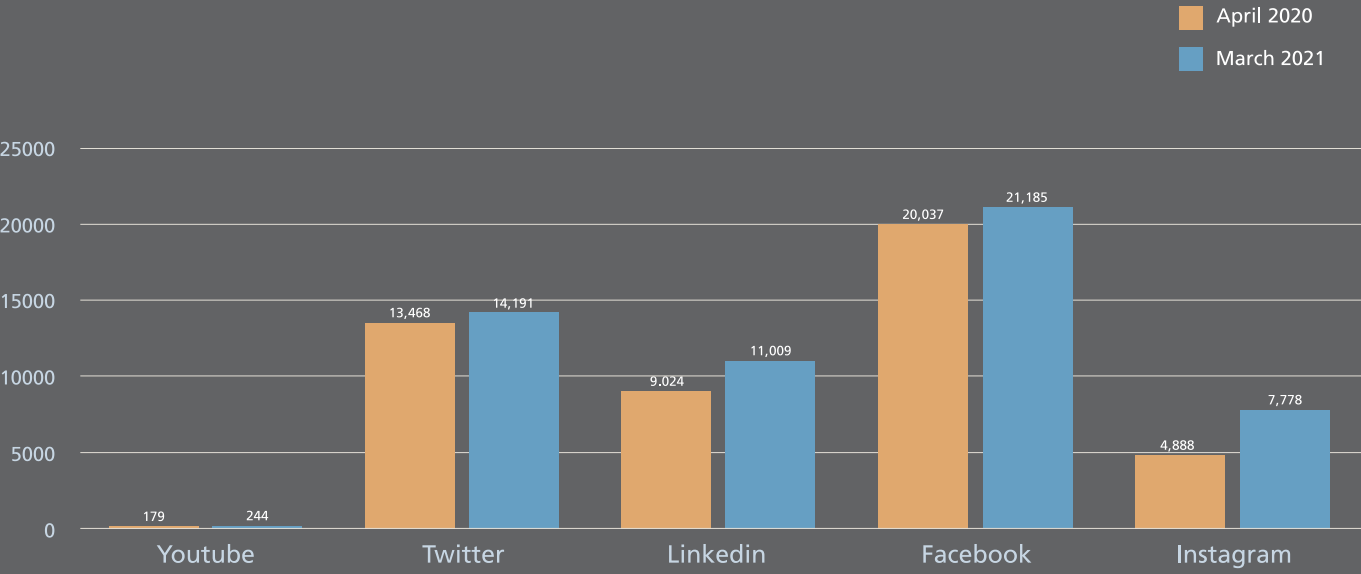
Cooperation Mechanisms With Competent Government Authorities



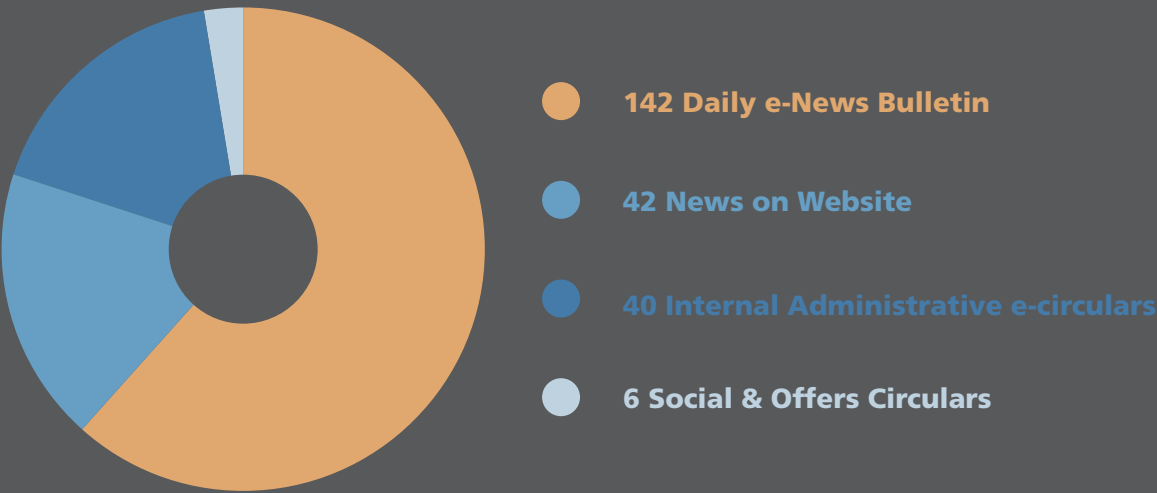
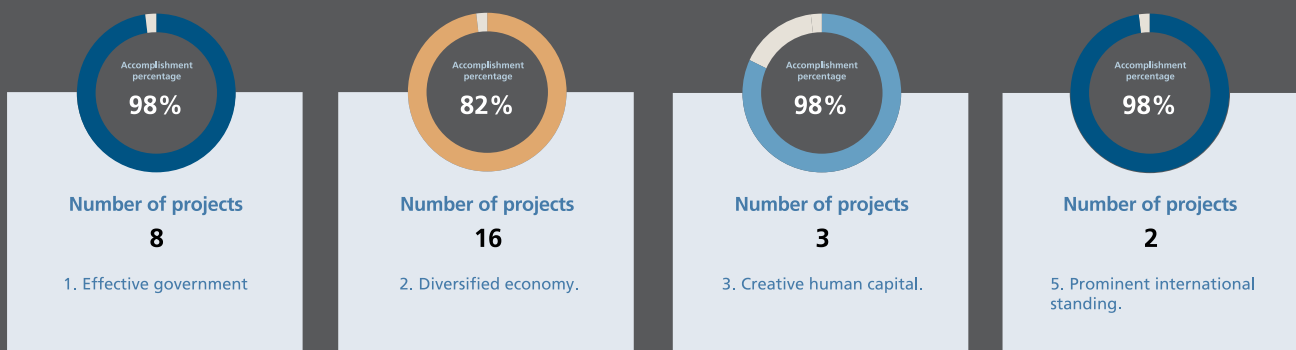
Promotional Campaigns



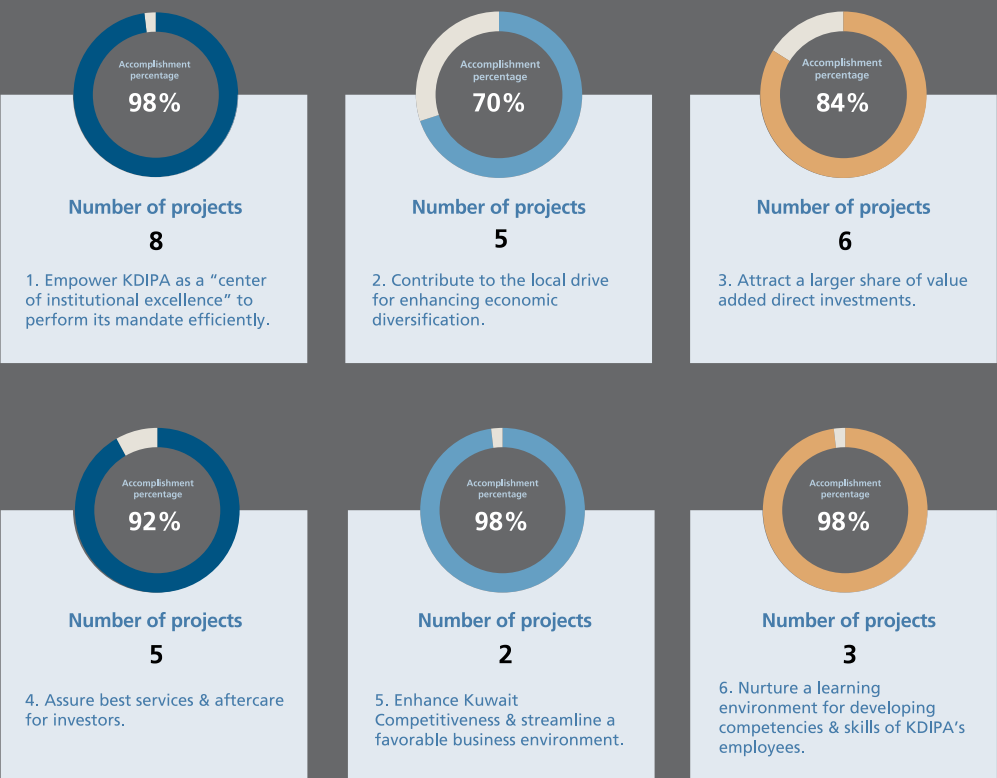
Followers data on KDIPA's Social Media Channel Followers



New Kuwait Pillars

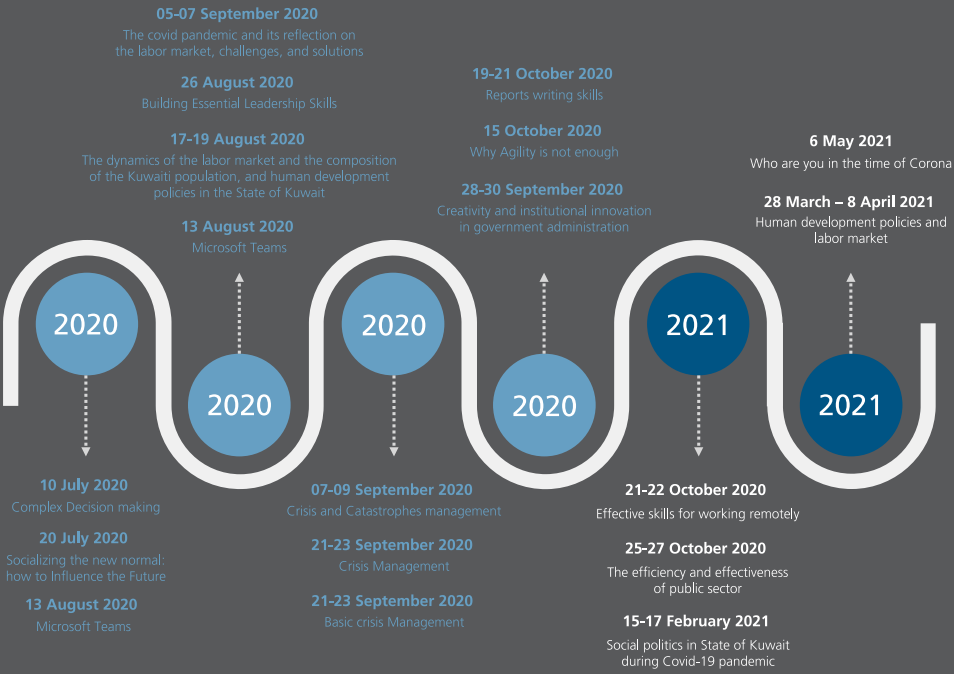


Strategic Directions



Internal and External Training Programs

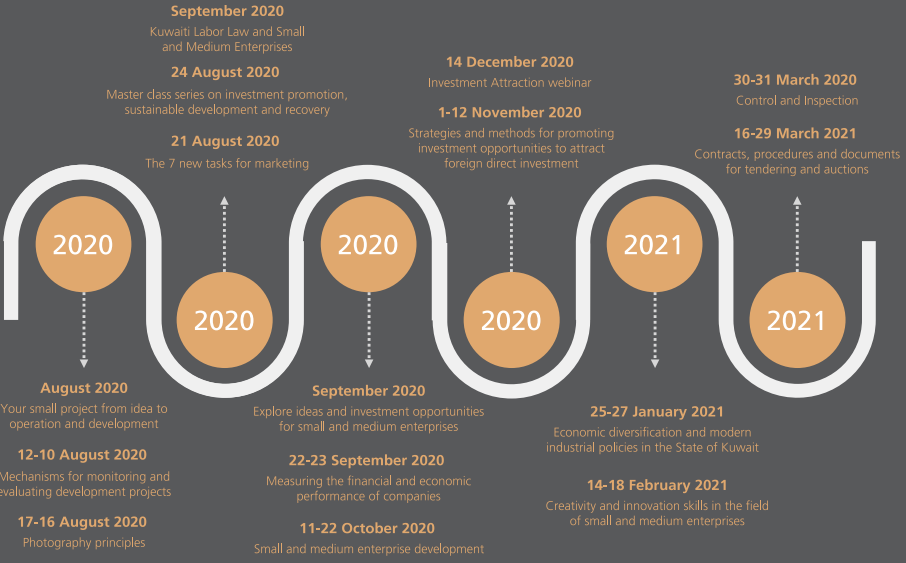
Locally implemented training programs



Supervisory Programs



Specialized Programs



KDIPA has attracted since it started operations, on January 1, 2015 until March 31, 2021, a cumulative added value direct investments to the State of Kuwait of around KD 1,203.6 million, by 59 investment entities which focused in the services sector, with IT taking the lead and the health sector services entering for the first time.

CHAIRMAN OF THE BOARD MESSAGE

H.E. Khalifa Musaed Hamada

Minister of Finance and Minister of State for Economic Affairs & Investments

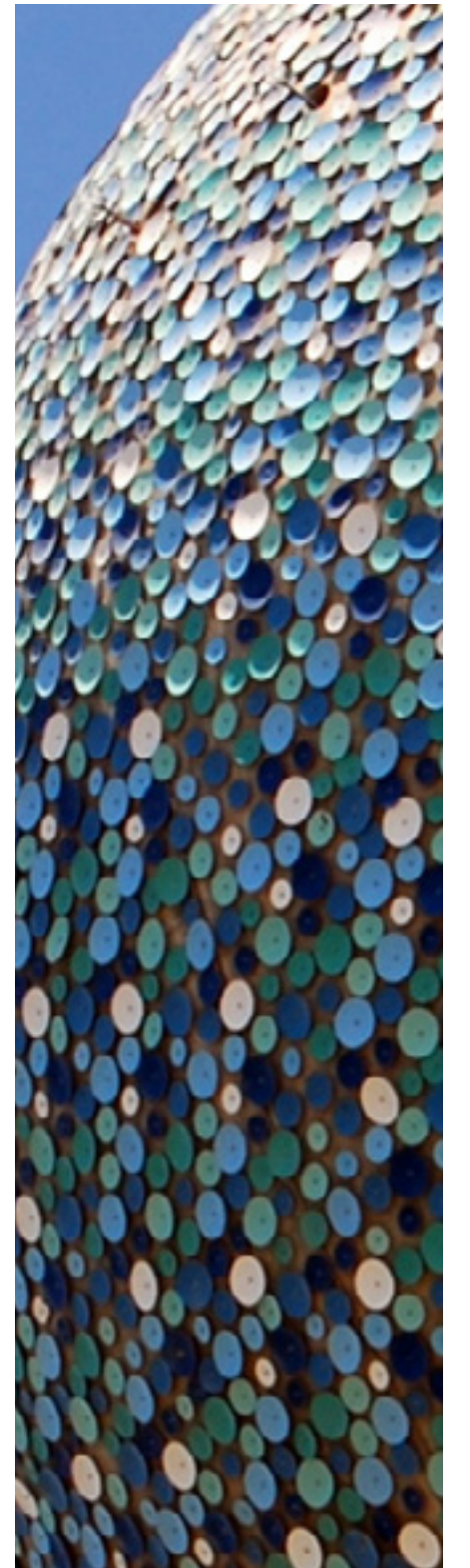
I am pleased to present to you the Sixth Annual Report 2020 of Kuwait Direct Investment Promotion Authority (KDIPA), which showcases the main milestones achieved during the fiscal year FY 2020/2021 in accordance with its mandated tasks under Law No. 116 of 2013 regarding the Promotion of Direct Investment in the State of Kuwait, in addition to the designated tasks assigned by the Council of Ministers and the relevant resolutions and their amendments.

Kuwait, as the rest of the World, witnessed a challenging year impacted by the outbreak of the coronavirus (Covid-19) pandemic, which necessitated undertaking consecutive precautionary and preventive measures by the Government to fulfil the World Health Organization (WHO) announced operational guidance. This resulted frequent closures, curfews, shift to work from home (WFH), adoption of virtual interactions, social distancing, as well as disrupting global supply chains, which accordingly affected economic activities. The unprecedented situation placed top priority on safeguarding public health, societal safety, and food security, and focused national efforts on mitigating both the economic and social repercussions of the pandemic. It started by addressing urgent needs, acting on recovery with resilience, adaptability, as well as resorting to timely and coordinated responses to accommodate the fast pace of changes that triggered advancing the digital transformation in business transactions.

Despite the difficulties caused by these circumstances, the Board of Directors were concerned to resume their responsibilities in formulating the general policies of KDIPA, and guiding the direction of its executive divisions within the mandated tasks to contribute to the realization of the National Vision 2035 goals, particularly pertaining to the diversification of revenue sources, rationalization of

fiscal expenditure because of lower oil prices, improving the efficiency of the government performance, and supporting the private sector role in the domestic economy. KDIPA succeeded in attracting new direct investment into Kuwait, which increased the cumulative approved direct investments since KDIPA started its operations on January 1, 2015, till March 31, 2021, to around KD 1,203.6 million, by 59 investment entities, and focused in the services sector, with IT taking the lead, and with the health sector services entering for the first time. Equally notable, the total expenditure in the local economy, based on KDIPA's approved criteria for measuring economic impact, by the licensed investment entities that started operations rose by 15.3% in the period (2015-2019) compared to the first period measured (2015-2018) and reaching a total of KD 530.3 million.

I conclude, on behalf of myself and members of the Board of Directors, by extending our sincere thanks to His Highness, the Emir of Kuwait, Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah, His Highness the Crown Prince Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah, and His Highness the Prime Minister, Sheikh Sabah Al-Khaled Al-Jaber Al-Sabah. My appreciation and thanks are extended to the Deputy Chairman and the members of the Board of Directors for their support and enlightened guidance. I would like also to thank KDIPA's Director General and employees for their appreciated cooperation during this critical period to ensure continuity of performing their tasks with dedication and professionalism towards attaining the motto "Sustainable wellbeing despite the challenges".



The Sixth Annual Report 2020 of KDIPA, highlights the main achievements attained during the fiscal year FY 2020/2021, covering the period from 1 April 2020 to 31 March 2021, during this period KDIPA attracted new direct investments reaching KD163,298,898.

DIRECTOR GENERAL MESSAGE

H.E. Sheikh Dr. Meshaal Jaber Al Ahmad Al Sabah

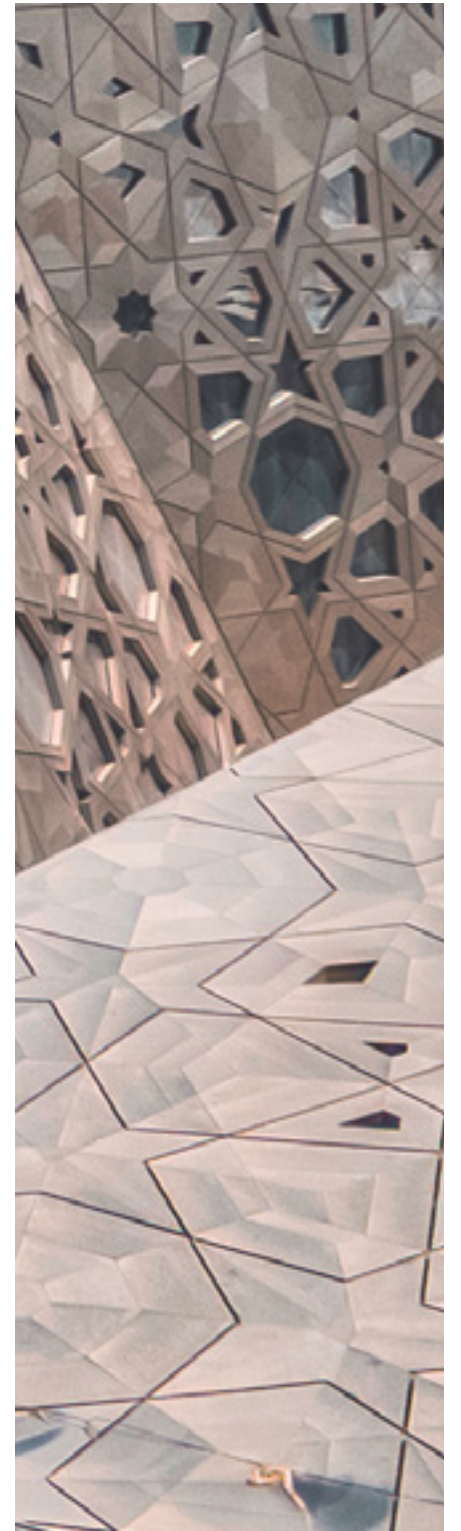
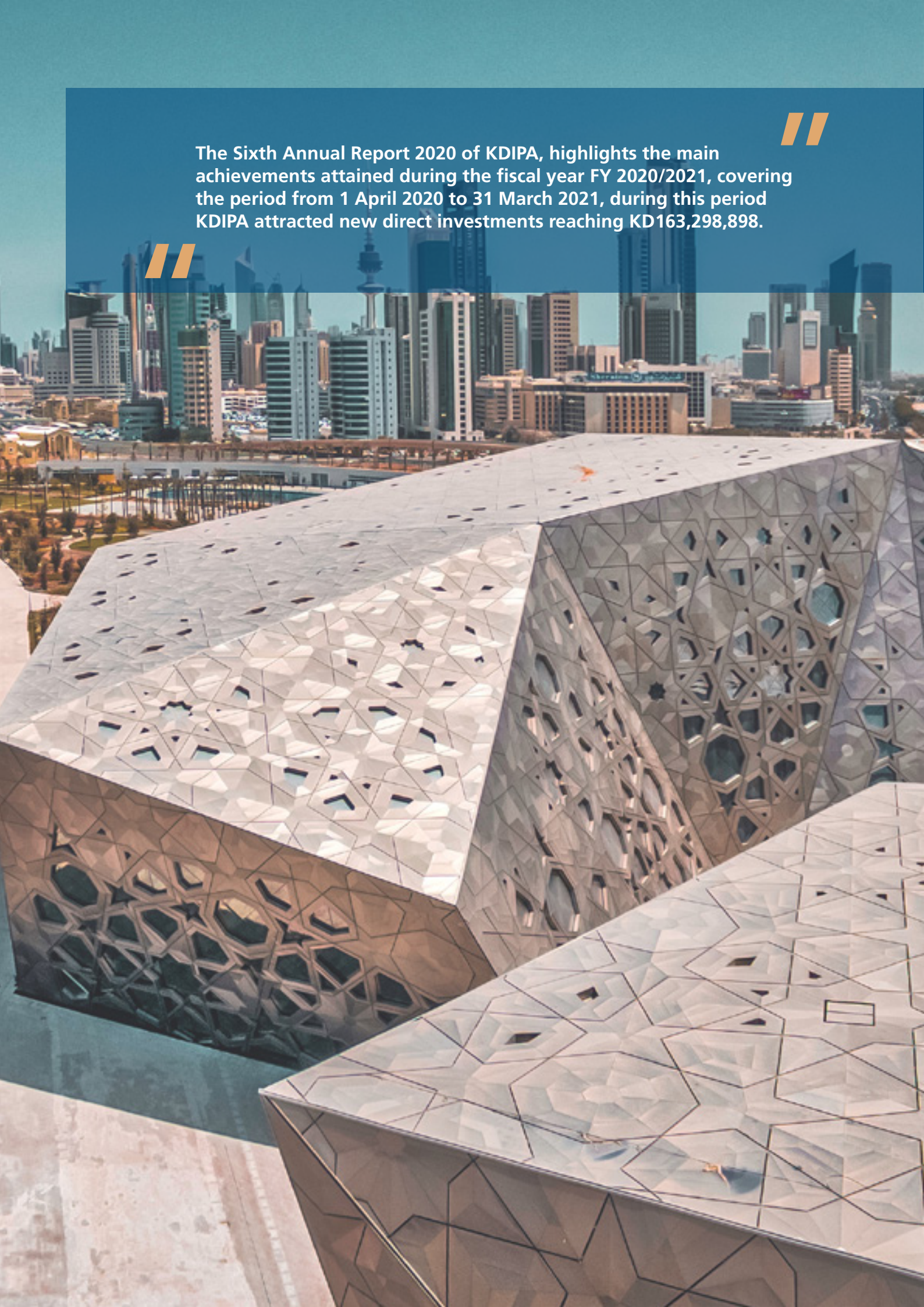
The Sixth Annual Report 2020 of Kuwait Direct Investment Promotion Authority (KDIPA), highlights the main achievements attained during the fiscal year FY 2020/2021, covering the period from 1 April 2020 to 31 March 2021, during which KDIPA attracted new direct investments reaching KD 163,298,898.

KDIPA maintained a resilient stance in holding its responsibilities and performing its tasks despite the continued critical conditions, and the spread of the coronavirus (Covid-19) pandemic, especially with the emergence of more dangerous new variants. KDIPA reverted to utilizing virtual communications, electronic applications to ensure uninterrupted services, availed the needed facilitation for investors in coordination with the competent government authorities, proceeded to launch the promotional activities designed to showcase Kuwait investment climate attributes and potential investment opportunities, for the purpose of achieving the intended developmental goals under the Kuwait National Vision 2035.

In the same context, KDIPA organized virtually its third external promotional roadshow (Invest in Kuwait); participated in several events both external and local, participated in bilateral committee meetings and business councils, signed MoUs, as well as completed several key projects. In addition, KDIPA renewed the ISO certifications for quality management, handling complaints and enhancing customer satisfaction, and formulated a dedicated committee for coordination, follow-up, and monitoring of the execution of health precautionary measures in line with

the circulars of the Civil Service Commission (CSC) to manage work during the pandemic. The training programs were conducted virtually to ensure providing adequate capacity building and skill upgrades for KDIPA human resources, reflecting a genuine concern to nurture national talents who resemble the real wealth to build a prosperous and sustainable future.

In conclusion, I would like to extend my deepest appreciation to H.E. the Chairman, the Deputy Chairman, and the members of KDIPA Board of Directors, thanking them for their continuous support and appreciated guidance. I also convey sincere thanks to all KDIPA employees, commending their fruitful cooperation to overcome these difficult times, and commitment to perform their tasks diligently and professionally, by either being in person at KDIPA premises or working remotely, placing our country interest and the national economy ahead of their eyes, collaborating to foster sustainable development path to be ready for the post pandemic era.



INTRODUCTION

EXECUTIVE SUMMARY

RESILIENCE IN THE FACE OF THE PANDEMIC

During the report period, and in the face of the unprecedented outbreak of coronavirus (Covid-19) pandemic which spread globally and locally, the Government of Kuwait and the health authorities initiated several precautionary, preventive, and pre-emptive measures to mobilize their national capability in face of this unprecedented pandemic, for personal protection methods and to minimize damages. These measures included, borders closures, restraining mobility, confining commercial trade to the necessary food and medical supplies, shutdown of activities, schools, universities, and work in the private and public sectors for various durations, imposing frequent partial or total curfews, especially at the area's most susceptible to spread of the pandemic, social distancing, cancelling or postponing several events, campaigns, visits, and programs, shift to work remotely from home (WFH), acceleration of the use of electronic channels and digital applications for various aspects of life, work, education, health, and purchasing among others. At the end of the report period, for the Activities of the Plan of Gradual Return to Normalcy, the percentage of employees allowed to return to their workplace in government entities and the private sector increased from less than 30% under Phase Two to more than 50% under Stage Four.

Kuwait Direct Investment Promotion Authority (KDIPA) presents its Sixth Annual Report 2020 for the fiscal year FY 2020/2021, according to the provisions of Article (31) of Law No. 116 of 2013 regarding the Promotion of Direct Investment in the State of Kuwait on the preparation of the annual report and the statistical report depicting KDIPA's activities, projects and major achievements in performing the assigned tasks in pursuit of the aspired developmental goals underlined in the National Vision of the State of Kuwait 2035. Despite the unprecedented health crisis, and the resulting overall dire situation in the country and globally, KDIPA maintained its resilience and acted in a concerted and agile manner recognizing several milestone achievements during the report period that is summarized in the upcoming paragraphs.

Change of KDIPA's competent Minister, according to the Emiri Decree No. (30) issued on March 10, 2021, KDIPA had become under the auspices of the newly established post of Minister of State for Economic Affairs and Investment, implying that the Minister of Finance and Minister of State for Economic Affairs and Investment had become the competent minister who chairs KDIPA Board of Directors, as of that date.

KDIPA response to coronavirus (Covid-19) pandemic, as assigned by the Board of Directors, and in coordination with competent authorities, KDIPA undertook the proposed measures to deal with the repercussions of the pandemic that included reducing all service fees by 50% for services offered by KDIPA till December 31, 2020; amending the decision on the mechanism for granting tax exemption by adding sustainability; allowing for extending the expiry date for investment licenses for the companies and branches which expired after the date of April 1, 2020 and till December 23, 2020; granting exceptional tax and customs exemptions to existing and new investment entities; and extending the duration for commencement of operations that was supposed to take place in 2020 for all the investment entities till January 1, 2021.

Increasing direct investments into the Kuwaiti market despite the pandemic, as KDIPA attracted KD 163,298,898 of new approved direct investments, thus recording cumulative approved direct investments of KD 1,203,680,745, since KDIPA started its operations on January 2015 till the end of March 2021 arising by 59 investment entities, from 23 different countries, with the cumulative direct investments from Europe taking lead with a share of (67.17%), followed by Asia (22.25%), North America (10.41%), and the remaining (0.17%) from Oceania.

Focusing sector priorities, as the cumulative approved direct investments comprised 99.6% in the services sector and the remaining share in the industrial sector; the information technology services represented the leading share of (33.3%), followed by oil & gas services (27.05%), construction (18.09%), and health services (5.02%), with the latter assuming an import part for the first time in attracting inward direct investments as a response of the repercussions of the pandemic, which necessitated placing priority on health and food security, shifting to adopt sustainable investment, environmentally friendly technologies, renewable sources of energy, as well as accelerating utilization of innovative digital services in Kuwait.

Granting benefits, as there were 6 tax exemption certificates granted for licensed investment entities, on the basis of committing to satisfy the criteria of KDIPA tax exemption mechanism, implemented in cooperation with the Ministry of Finance (MoF), to link granting tax exemption to performance; as well as handling a total of 3 customs consignments.

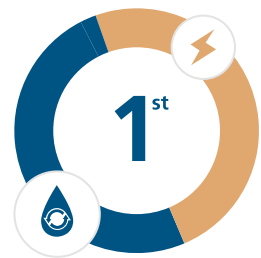
Cumulative Approved Direct Investments

Services Sector

99.6%










Expanding sustainable economic and social impact in the local economy, by the licensed investment entities that started operations through providing 20 direct qualitative job opportunities in various fields and administrative levels, by 5 investment entities; offering several online training courses by 2 investment entities to build the capacity of the young national human resources free of charge, which led to benefiting more than 853 national trainees; supporting medical research through technology transfer and sending experts by an investment entity in collaboration between the Dasman Diabetes Institute and the University of Montreal; listing the Shamal Az-Zour Al-Oula KSC, a licensed investment entity, in the premier market of the Kuwait Stock Exchange as the first private company for independent power generation and water desalination; providing several virtual workshops, free of charge, by 3 investment entities, for interested government employees in the field of acquiring leadership skills, as well as providing various



KDIPA Licensed company, Shamal Az-Zour Al-Oula KSC, became the first private company for independent power generation and water desalination to be listed in the Kuwait Stock Exchange.

kinds of support to the Ministry of Health, and needed medical supplies during the pandemic. Intensifying the cumulative impact of direct investment in Kuwait, according to the second report on measuring the cumulative economic impact of direct investment based on adopting the expenditure perspective, the expenditure spent by the licensed investment entities that started operations in the local economy according to the approved criteria during the period 2015- 2019 recorded an increase of 15%, reaching a total of KD 530,326,323, distributed as follows:

Strengthening digital investors services, receiving a total of 169 existing and potential investors, of whom 93 investors booked an appointment through KDIPA online investors portal; 29 application request forms from potential investors; 353 e-mails that were handled and clarifications provided; 18 complaints and 5 suggestions that were duly dealt with, through 294 interactive measures with competent government authorities, through virtual (online) meetings, phone calls, e-mails, correspondence, and e- memos.

Cumulative Economic Impact for Direct Investment by Expenditure						
 Spending on salaries of national workers	 Spending on training programs for national workers	 Spending on advanced technological devices and equipment	 Spending on support for the local content (goods)	 Spending on support for the local content (Services)	 Spending on government taxes and fees	 Spending on social responsibility activities
3,758,458	96,172	132,188,055	86,277,957	226,440,793	8,608,533	810,545
0.8%	0.02%	28.9%	18.8%	49.4%	1.9%	0.18%
458,180,513 KD						

Launching KDIPA Portal and application for servicing investors, linked to the internal electronic system for enterprise content management (ECM) to facilitate handling the investment licensing applications; prepared a survey addressed to the licensed investment entities by KDIPA to learn about their needs, the difficulties and challenges they faced during the coronavirus (Covid-19) pandemic, and their future directions, and a comprehensive report was prepared and submitted to the

Board of Directors to support KDIPA’s efforts in considering introducing services and facilitations in collaboration with competent authorities. Forging the relationship with the competent authorities, as KDIPA continued to establish effective cooperation mechanisms through various cooperation channels between KDIPA and competent government authorities, with 117 interactions through meetings and correspondences were conducted to issue activities approvals, to facil-

itate completing the required procedures to start operations and granting incentives, to curtail the pandemic repercussions on the investment operations. Consolidating relations with approved companies and offices, updating the approved list by KDIPA to reach 52 consulting companies and office, to act on behalf of investors with KDIPA; they were invited to 3 virtual introductory workshops organized by KDIPA to present updates; for the second time a sur-

vey was sent to them to measure their satisfaction with the services they receive from KDIPA. Activating the Judicial Officers according to Law No. 116 of 2013, as KDIPA took punitive measures for violation of licensing requirements, that included sending warnings to 3 licensed investment entities, and issuing a temporary administrative termination for a licensed investment entity; but lifted the termination of tax exemption benefit for a licensed investment entity, and extended the grace period for commencing operations for another licensed investment entity. Following reporting direct investment data, by contacting 32 licensed investment entities to fill the “Coordinated Direct Investment Survey CDIS” of the International Monetary Fund (IMF) used for preparing Kuwait’s Balance of Payments, and allowing to postpone submitting the filled forms and required reports, as support extended by KDIPA to lessen the administrative burden on these licensed investment entities, that started operations during the difficult conditions of the pandemic, till the return to the normal status. Executing Offset obligations, as KDIPA continued to follow up and monitor fulfilling the existing offset obligations in accordance with the adopted Offset system, the Guidelines for Offset Procedures No. (9) – 2007, and the related decisions, releasing 7 bank guarantees for the international companies that fulfilled their offset obligations by completing the developmental projects they selected. The Council of Ministers approved the (Third List) of the developmental offset projects submitted by the various government authorities to be presented to the international companies with offset obligations to select from it that they would consider suitable. Proceeding with the economic and free zones and commercial plots, as Al-Abdali Economic Zone completed the implementation of the final design of the infrastructure; Al-Wafra Economic Zone project completed the project’s tendering documents and listed it on Central Agency for Public Tenders (CAPT) website; KDIPA coordinated with the Public Authority for Industry (PAI) to prepare a feasibility study of tendering Al-Naayem Economic Zone project to be developed alongside PAI projects in the same area. KDIPA initiated the prepa-

ration of the implementation mechanism for allocating and distributing commercial plots, and worked on preparing the bidding documents, prepared a Guidelines manual for the Economic Zones, Free Zones and Commercial Plots, and carry several specialized workshops to enhance its human resources capabilities in project management. Adopting digital promotion under the pandemic, KDIPA organized virtually its third edition of the Kuwait Investment Outreach Roadshow under the title “Capitalizing on Digital Transformation” in cooperation with the Financial Times Group; organized 3 virtual events for American companies reflecting the strength of bilateral economic, commercial, and investment relations between the two countries, and the role the private sector plays to further strengthen it; participated in 13 virtual events, relating to its field of specialization, including a virtual exhibition; targeted electronically 40 international companies selected from KDIPA’s internal list; launched a promotional digital media campaigns focusing on renowned investment websites and social media channels, in participation and attendance of a number of the licensed investment entities by KDIPA; continued to build its network of promotional relations with several institutions; local, regional, and global media organizations to publish its press releases, articles, special editions, and interviews that aim to showcase KDIPA’s role in attracting foreign direct investment and introducing the benefits of investment in Kuwait, including the Business Year, The Times, Global Finance fDI Intelligence Magazine, Oxford Business Group. Applying to the “First Annual Competition for Strengthening IPA Advocacy Services”2021, launched jointly by the World Bank and the World Association of Investment Promotion Agencies (WAIPA), of which KDIPA is a member. Responding to international surveys, KDIPA took part and responded to 5 international surveys, including the World Bank rapid survey of IPAs efforts in facing the Covid- 19 pandemic; the World Association for Investment Promotion Agencies (WAIPA) survey to measure the effects of the (Covid-19) pandemic on direct investment inflows; the Organization for Economic Cooperation and Development

(OECD) survey regarding direct investment in Kuwait; the United Nations Conference for Trade and Development (UNCTAD) survey on the International Investment Agreements (IIAs); and the “E-Government Survey 2020” conducted by the UN Economic and social Affairs Department. Expanding the network of external relations, as represented by its senior management, KDIPA met at its headquarters with several dignitaries including ministers, ambassadors, officials from international and regional organizations, executives of major local and international companies; participated virtually in 14 periodic and coordination meetings of bilateral committees, councils, and high ministerial committees, of which the Fourth round of Kuwait–US Strategic Dialogue, the Sixteenth meeting of the Kuwait-UK Joint Steering Group; arranged for holding the first meeting of the Kuwait-Saudi Coordination Council; signed a Memorandum of Understanding (MoU) for cooperation in the field of “promoting direct investment” with the Government of the State of Qatar; signed a cooperation mechanism with the Public Authority for Civil Information (PACI); proposed a cooperation mechanisms with the Environment Public Authority (EPA) and Kuwait Municipality (KM); strengthened its coordination with the Ministry of Foreign Affairs (MoFA)to follow up and implement the MoUs signed between Kuwait and other international parties, especially those that entered into force; provided the (MoFA) with available data and information, of which the size and type of investments of European companies in Kuwait; cooperated with the Ministry of Information to prepare the material that related to KDIPA as part of the publications and the promotional video on Kuwait to be presented in Expo2020 Dubai. Activating social media channels and Public Relations (PR), arranged placing several videos and promotional advertisements highlighting the unique attribute of Kuwait and potential investment opportunities as well as KDIPA’s role in providing facilitation and aftercare targeting websites, smart phone applications, and social media channels; launched several digital campaigns that streamed consecutive messages on KDIPA social media pages covering topics like the pandemic, economic

developments in Kuwait, KDIPA's activities, KDIPA's partners, the Fifth Annual Report, a preliminary campaign to introduce the new branding logo (Be Part of Kuwait's Vision), and bilateral agreements.

Improving Business environment in Kuwait and the postponement of Doing Business Report 2021, as KDIPA, by heading the Permanent Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK), continued to follow-up coordinating efforts with other competent government authorities to accomplish the National Agenda for Streamlining Business Environment in the State of Kuwait (Tahseen Program); most of the communications to identify and document reforms during the data collection period for the Doing Business Report DB 2021, took place virtually (online) because of the pandemic; the Fourth Annual Washington D.C. meeting took place virtually with the DB report experts at the World Bank.

Finalizing the project study on "Improving Kuwait Global Competitiveness: Engine of transformation to Knowledge and Innovation-based Economy", conducted in cooperation with the Kuwait Institute for Scientific Research (KISR) resulting a roadmap and an implementable national agenda for improving Kuwait competitiveness, and a Unified Database Platform; KDIPA followed the needed arrangements to transfer and settle the project deliverables to the General Secretariat of the Supreme Council for planning and Development (GSSCPD), in light of the approval of the Permanent Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK). Completing the implementation of the first strategy, by end of March 2021, KDIPA's First Strategy completed 13 projects, and 15 ongoing projects due to its nature, and one project was cancelled to avoid overlapping; a survey template was designed and scheduled to be distributed to all the assigned strategy projects' points of contacts to provide their responses on lessons learned to enable the preparation of the final report; KDIPA completed the terms of reference (TOR) document for tendering its second strategic plan (2021/2022-2025/2026); KDIPA prepared an interim strategy for the period (2021-2023),

to allow sufficient time to fulfil the requirements and procedures needed to finalize the second strategy.

Finalizing "Kuwait Investment Roadmap" project, as KDIPA received the final report of the project study "Kuwait Investment Roadmap – Key Findings and Recommendations", conducted through the technical arrangement with the World Bank Group (WBG), with a total of 32 priority recommendations to be implemented in the short, medium, and long terms, based on the outcome of three technical notes covering KDIPA institutional assessment, Kuwait investment promotion institutional assessment, and Kuwait investment legal and regulatory regime assessment, with an added chapter on the repercussions of the coronavirus (Covid-19) pandemic and its impact on investments in Kuwait.

Renewing the two Certifications ISO 9001: 2015 and ISO 10002: 2018, as KDIPA continued to apply the basic requirements and necessary guidelines for the internal and external audit for these two standards and these two standards and updating the "Quality Management System Manual".

Developing Human capital, through 37 executed training programs, benefitted 106 KDIPA employees at various job levels, from different departments, and with varied specializations, most of them registered personally as the training was conducted virtually (online) because of the pandemic; the training was organized by government entities, international and regional organizations, civil society organizations, and a number of local and international private training companies. Enhancing adoption of information systems and e-applications, as KDIPA implemented its technological projects in various technical fields to develop and apply the highest international standards; provided all the divisions in KDIPA with services and systems, equipment and operating devices, ongoing maintenance, and conducted the required training for KDIPA's employees to ensure an adequate work environment to advance KDIPA's operations, and safeguard KDIPA in case of any emergency that might cause data loss or system failure; prepared an emergency plan to enable smooth digital operations in face of the repercussions of the pandemic.

Managing work conditions under the pan-

demie, by extending the emergency work leave relating to government entities closure because of the pandemic to all KDIPA employees; altering the work shifts of KDIPA employees after the issuance of Council of Ministers decision to move to the third stage of the gradual return to normal life starting as of July 28, 2020, followed by the Council of Ministers decision to move to the fourth stage of the gradual return to normal life as of August 18, 2020, which remained till end of report period; KDIPA received, prepared, and disseminated the consecutive Civil Service Commission (CSC) circulars in light of the pandemic to adhere to and cascade on various administrative affairs; KDIPA committed to follow the Civil Service Commission circular (CSC) Circular mandating all government entities to establish a dedicated "Committee for Following up and Monitoring the Implementation of Preventive Health Measures and Conditions" determined by the competent health authorities for combating the coronavirus (Covid-19) pandemic.

Adhering to governance, as the Internal Audit Section, carried out the internal audit work of the Financial and Administrative Affairs Division, which included the auditing on response to the remarks of the State Audit Bureau and the Financial Supervisory Apparatus, job descriptions, promotion by selection, career level upgrade, financial operations, administrative decisions, to ensure its compliance with the provisions, laws, and regulations, and being compatible with work procedures.

Carrying social and cultural activities for employees, despite the pandemic conditions, and the closures, social distancing, some activities were organized to enhance health awareness under the pandemic to maintain the human empathy amongst the KDIPA employees and their team spirit.





CHAPTER ONE

Board of Directors

RESILIENCE IN THE FACE OF THE PANDEMIC

During the report period, and in the face of the unprecedented outbreak of coronavirus (Covid-19) pandemic, KDIPA Board of Directors maintained its regular meetings to undertake its assigned role, in line with precautionary health measure.

KDIPA Board of Directors, during the report period, fulfilled the terms stipulated in Article (8) of Law No. 116 of 2013 regarding the promotion of direct investment in the State of Kuwait, which included setting up the general policy of KDIPA, along with supervising the implementation and issuance of the necessary decisions to achieve the objectives of this law, in adherence with the principles of good governance.

H.H. the Emir Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah received in Bayan Palace on November 3, 2020, the Minister of Commerce and Industry, Chairman of KDIPA Board of Directors, the Deputy Chairman, and KDIPA Director General who presented KDIPA Fifth Annual Report 2019/2020. For the same purpose, they were also received by H.H. the Crown Prince Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah, and the Prime Minister H.H. Sheikh Sabah Al-Khaled Al-Hamad Al-Sabah, whereby they presented a copy of KDIPA Fifth Annual Report 2019/2020. A presentation on the Fifth Annual Report was provided to the Economic and Financial Affairs Committee at the Council of Ministers.

The Emiri Decree No. (30) was issued on March 10, 2021, regarding KDIPA affiliation, stating that KDIPA will become under the auspices of the newly established Minister of State for Economic Affairs and Investment, who will assume all the responsibilities stated for the competent minister according to Law No. 116 of 2013. This implied that the Minister of Finance and Minister of State for Economic Affairs and Investment had become the competent minister who chairs KDIPA Board of Directors. During the period prior to that from December 14, 2020 till March 2, 2021, the Minister of Commerce and Industry was changed, and the tasks of the Minister of State for Economic Affairs were added to his responsibilities.



1. Board Affairs

1.1 Board of Directors

The report period witnessed convening (5) Board meetings, one was held on April 16, 2020 (in person with distancing) to discuss the special measures and submitted recommendations in light of the critical conditions caused by the coronavirus (Covid-19) pandemic; the other meetings were held virtually (online) on June 30, 2020, August 30, 2020, October 14, 2020, January 21, 2021, to discuss agenda items regarding KDIPA operations.

The mandate of the Grievances Committee under the Board of Directors was renewed for another year ending by April 28, 2021, and it was decided to be headed by a member of the Board of Directors. One of the members of the Grievances Committee was changed, and two ministerial decisions were issued in this regard as shown in the table.

Decisions related to the Board of Directors Affairs

Decision	Date
Ministerial Decision No. (102) of 2020 regarding the formation of the grievance committee of the Kuwait Direct Investment Promotion Authority (KDIPA) for a renewable one-year period.	April 28, 2020
Ministerial Decision No. (145) of 2020 regarding the amendment of the structure of the grievances committee at the Kuwait Direct Investment Promotion Authority (KDIPA).	September 10, 2020

1.2 Grievances Committee

There were no grievances received, during the report period, neither from potential nor existing investors. The Board of Directors renewed their approval to the mechanism and procedures for submitting grievances electronically to the Secretariat of the Grievances Committee, in turn necessary steps were taken to place it on KDIPA’s website.

1.3 Audit and Inspection Bureau

The Audit and Inspection Bureau of the Board of Directors executed its auditing and inspection tasks according to the approved plan by the Board of Directors for all the divisions, departments, and sections in KDIPA, to ensure they are abiding by the rules, provisions, and circulars within the work procedures. Meetings were held with the competent administrative units, remarks were taken, and recommendations were articulated in line with the Bureau’s responsibilities and its commitment to implement the adopted laws and provisions. The report was submitted to the Board of Directors, who approved it and referred the recommendations to the relevant administrative entities to act upon it.

Board of Directors Decisions

#	Decision	Assignment
1	Measures adopted in face of coronavirus (Covid-19) pandemic	Assigned KDIPA Director General the task to coordinate with competent authorities to implement the proposed measures for facing the repercussions of coronavirus (Covid-19) pandemic, including reduce by 50% KDIPA service fees obtained against services offered by KDIPA, during the pandemic as well as KDIPA proposed amendment of granting tax exemption.
2	Extend duration for investment licensing	Assigned KDIPA Director General to issue the executive resolution for extending the duration for investment licensing in accordance with any other extensions that might be issued by the Ministry of Commerce and Industry regarding the commercial licenses.
3	KDIPA Fifth Annual Report	Approved KDIPA Fifth Annual Report covering the period April 1, 2019, till March 31, 2020, and submitting a copy to the National Assembly within 30 days of presenting it to the Council of Ministers according to Article (31) of Law No.116 of 2013 regarding the promotion of direct invest in Kuwait.
4	Proposal to establish or contribute to the capital of companies specialized in the establishment or management of business incubators	Assigned KDIPA to coordinate with competent authorities to study the possibility of transferring the task of the establishment or management of business incubators stated in item (4) of Article (4) of Law No. 116 of 2013, from legal and technical aspects, and submit the findings to the Board of Directors to decide on the appropriate measure.

2. KDIPA Affairs

During the report period, the Board of Directors approved the financial statements for KDIPA budgetary closing account for the fiscal year FY 2019/2020, and its draft estimated budget for the fiscal year FY 2020/2021. The Board of Directors were also informed of developments related to KDIPA’s affairs. During the report period, the Board of Directors issued a set of decisions relating to KDIPA tasks and assignments, as shown in the table.

#	Decision	Assignment
5	Al-Naayem Economic Zone	Assigned KDIPA to coordinate with the Public Authority for Industry (PAI) to address the Ministry of Finance (MoF) on consider the possibility of combining the tendering for the masterplan design for the joint industrial and economic area through the budget of PAI. Assigned KDIPA to coordinate with the Kuwait Authority for Partnership Projects (KAPP) to assess the requirements to implement the Al-Naayem Economic Zone according to the provisions of Law No. 116 of 2014 regarding the partnership between the public and private sectors.
6	Periodic follow-up of licensed investment entities	Assigned KDIPA Director General to issue the required executive resolutions for the punitive measures approved by the Board of Directors and inform the investment entities and the competent authorities of these resolutions according to the set measures and provisions in this regard.
7	Developments regarding Kuwait Offset Program	Assigned KDIPA to coordinate with competent government authorities to present the Third List for development projects approved by the Council of Ministers to the international companies with offset obligations.

As to the decisions regarding KDIPA’s affairs, during the report period one ministerial decision and 3 other Director General decisions were issued based on referrals from the Board of Directors, aiming to facilitate the work procedures and approve a number of measures aiming to mitigate the impact and repercussions resulting from the coronavirus (Covid-19) pandemic, as seen in the table.

Decisions Regarding KDIPA’s Affairs

Decision	Date
Director General Decision No. (173) of 2020 regarding granting investment entities exemptions to new investors and extend the duration for commencement of operations till December 31, 2020.	May 4, 2020
Ministerial Decision No. (105) of 2020 regarding reducing all service fees by 50% for services offered by KDIPA till December 31, 2020.	May 6, 2020
Director General Decision No. (108) of 2020 regarding amending the decision on the mechanism for granting tax exemption by Kuwait Direct Investment Promotion Authority as amended by decision No.(76) of 2018.	May 6, 2020
Director General Decision No. (288) of 2020 regarding extending the expiry date for investment licenses for the companies and branches established according to Law No. 116 of 2013, which expired after the date of April 1, 2020 and till December 23, 2020.	September 6, 2020





KDIPA delivers its Fifth Annual Report to H.H. The Emir of Kuwait, H.H. The Crown Prince, and H.H. The Prime Minister



KDIPA delivers its Fifth Annual Report to H.H. The Emir of Kuwait, H.H. The Crown Prince, and H.H. The Prime Minister



KDIPA delivers its Fifth Annual Report to H.H. The Emir of Kuwait, H.H. The Crown Prince, and H.H. The Prime Minister



KDIPA Board of Directors
Held a Virtual Meeting



KDIPA Board of Directors
Held a Virtual Meeting



KDIPA Board of Directors held a Meeting



KDIPA Board of Directors
Held a Virtual Meeting



KDIPA Board of Directors
Held a Virtual Meeting



CHAPTER TWO

The Statistical Report

FLEXIBILITY IN FACING THE PANDEMIC

During the reporting period, which witnessed the deepening of the outbreak of the Corona Virus (Covid-19 emerging) pandemic globally and locally, the authority focused its efforts to target potential investors and enhance communication with existing investors to support them during work conditions within the framework of total and partial bans and other preventive measures.

KDIPA attracted KD 163,298,898 of new approved direct investments, a higher rate than last year.

The cumulative volume of approved direct investments since early January 2015 until the end of March 2021 reached a total of KD 1,203,680,745.

Cumulative approved direct investments were concentrated 99.6% in the services. sector

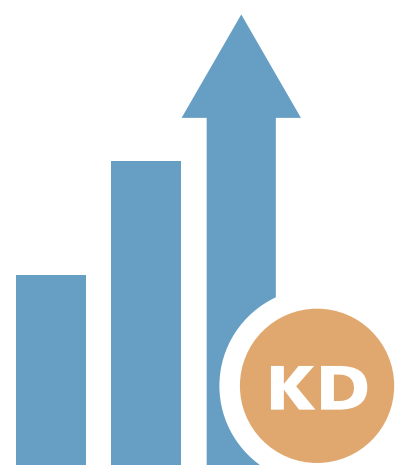
The cumulative impact of Direct Investment has raised by 15% reached a total of KD 530,326,323.

The Statistical Report depicts details of the investment operations conducted by KDIPA during the fiscal year FY 2020/2021, which extended from 1 April, 2020 to 31 March, 2021 under the provisions of Article (9) of Law No. 116 of 2013 stating that: “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.” Furthermore, the Statistical Report depicts emerging developments regarding the provisions of Article (30) of Law No. 116 of 2013, which entails operating an investment register in KDIPA that documents all the licensed investment entities data, applications, licenses, incentives, exemptions, and punitive measures relative to the investment entities, while attaching relevant documents and continuously updating the data.

1. New approved investments in the FY2021/2020

1.1 Volume of Investment

During the FY2020/2021, under Law No. 116 of 2013, KDIPA attracted KD 163,298,898 of new approved direct investments from 9 investment entities. Details of the approved investment entities are shown in the table including the entity name, activity sector, investment volume, foreign equity share, legal form, and country of residence.



1.2 Sector Distribution

During the report period, the approved direct investments were concentrated in the services sector, comprising 99.76% of the total, covering 7 activities from: Oil & Gas (38.00%), Aviation (28.1%), Construction (15.76%), Health (14.40%), Information Technology (2.20%), and Training (1.25%), with the remaining investments arising from the industrial sector (0.24%).

1.3 Geographic Distribution

The approved direct investments during the report period came from 9 different countries namely: British Virgin Islands, Italy, China, Switzerland, Austria, Sweden, Luxembourg, Lebanon, and Netherlands, ordered according to the volume of investment.

1.4 Legal Forms

The legal forms of the investment entities approved under Law No. 116 of 2013 during the financial year FY 2020/2021 varied, as 6 investment entities requested a single person company (SPC), and 3 investment entities requested opening a branch.

1.4 Legal Forms

The legal forms of the investment entities approved under Law No. 116 of 2013 during the financial year FY 2020/2021 varied, as 6 investment entities requested a single person company (SPC), and 3 investment entities requested opening a branch.

Cumulative approved direct investments since it started operations

1,203,680,745
Kuwaiti Dinars

During this report period,
KDIPA attracted approved
direct investments of

KD 163,298,898

4. Legal Forms

The legal forms of the investment entities approved under Law No. 116 of 2013 during the financial year FY 2020/2021 varied as 6 investment entities requested a single person company (SPC), and 3 investment entities requested opening a branch.

5. Foreign Equity Share

During the report period, the 9 approved investment entities were granted the right to benefit from 100% foreign equity share.

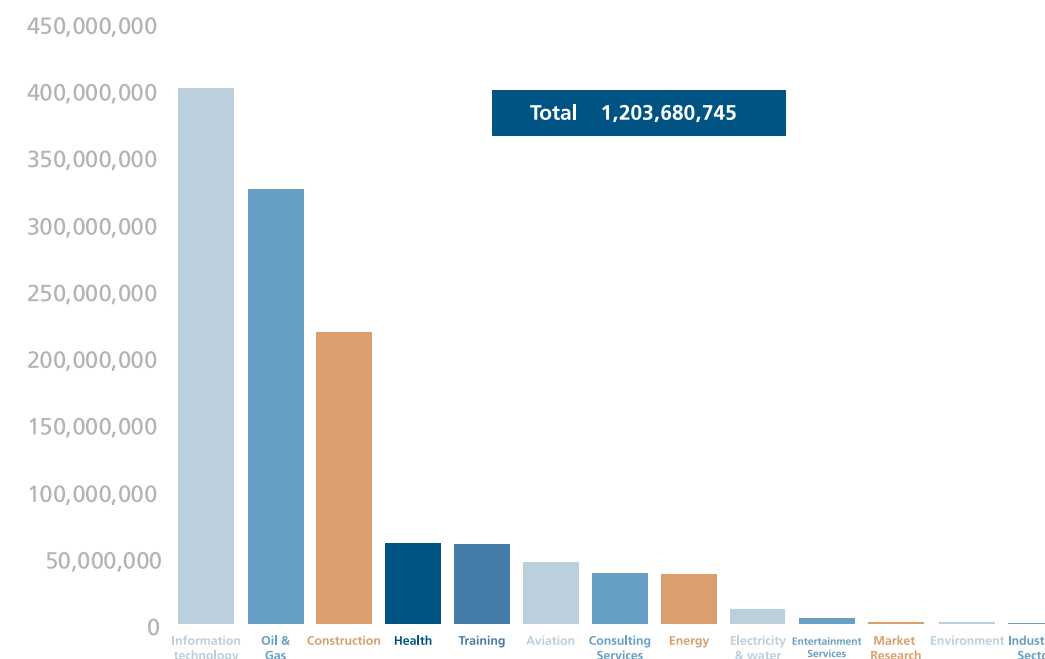
2. Cumulative Approved Direct Investments

2.1 Cumulative Volume of Direct Investment

The cumulative volume of approved direct investments since KDIPA started receiving applications for investment licensing and granting incentives in early January 2015 until the end of March 2021 reached a total of KD 1,203,680,745 arising from 59 investment entities.

2.2 Cumulative Sector Distribution

Cumulative approved direct investments were concentrated in the services sector, on top of which the Information technology Sector, services for the Oil & Gas sector, and Construction. The remaining percentage covered a variety of activities namely: Health, Training, Aviation, Consulting services, Energy, Electricity & Water, Entertainment Services, Market Research, Environment, as well as Industrial Sector as shown in the figure.



2.3 Cumulative Geographic Distribution

Cumulative approved direct investments came from 23 different countries including: Netherlands, China, British Virgin Islands, Canada, Spain, Turkey, Italy, France, United States of America (USA), Switzerland, Republic of Korea, Japan, Singapore, Germany, Belgium, Lebanon, Luxembourg, Sweden, New Zealand, Austria, United Kingdom (UK), United Arab Emirates (UAE) and Poland (representative office) and local investors (within investment ownership), as shown in the figure. As for Geographic Distribution, a share of (67.17%) of the cumulative direct investments came from Europe, followed by Asia (22.25%), North America (10.41%), and the remaining (0.17%) came from Oceania.

3. Economic Impact

3.1 Economic Impact Assessment for the fiscal year 2020/2021

Despite the obstacles that resulted from the spread of the pandemic virus corona and preventive measures have been taken to address them, during the reporting period the authority measured the economic impact achieved by the investment licensed entities that commenced operation of its business,

through its periodic follow-up with these investment entities and to identify the needs and the services and facilities required to support it in the performance of its work and activate its activities that achieve the desired added value for the local economy and contribute to supporting the desired economic and social goals within the national vision 2035 and meet the voluntary obligations of Kuwaiti towards the sustainable development goals (2015-2035). In addition, the authority has prepared a report on the role of investment entities licensed in the recruitment of national employment and focus on sectors that have achieved the highest standard in employment to be able to draw new policy to attract investors for the period after the end of the Corona Virus Pandemic (Covid-19) through the data of the Kuwaiti Economic Benefit Model of KDIPA. The following summarizes the areas of economic impact during the reporting period are:

Providing Jobs for Kuwaiti Youth

During the reporting period, 5 licensed investment entities have placed job advertisements for employment, including their websites, local newspapers, and 20 recruitment sites. It included providing direct qualitative job opportunity in various fields and administrative levels, in sectors related to these projects as shown in the table. In return, the authority has contributed to the dissemination of job advertisements to the means of communication and its dissemination through its social media.

On the other hand, the authority sent e-mails on August 13, 2020 to 7 licensed investment entities with the availability in engineering job opportunities.

- Shamal Alzour Aloula.
- Borets Services Kuwait for Non-vehicle Repair and Maintenance of Light and Heavy Equipment and Maintenance of Oil Tanks.
- DCI S.A Kuwait for Logistics Services.
- Allscripts for Information Technology and Technical Services.
- AZN O&M for Electric Power Generation Transmission and Distribution.
- Kolin Gulf for construction Roads, Sewerage and Bridges.
- ACTS for Quality Assurance and Control.

National Human Capital Development

During the reporting period, the training activity with the aim of developing the human capital of young national workers witnessed several initiatives undertaken by two licensed investment entities by the authority, from which led to benefiting 853 national trainees.

- GE Technology Kuwait focused via the Internet with the aim of increasing employee awareness about the Corona Virus Pandemic (Covid-19) and its developments, with also providing training programs for workers in the field of cybersecurity and phishing.
- Huawei Technologies Kuwait: In cooperation with the Public Authority for Youth provided in May 2020, training opportunities via Internet free of charge for young people at the Academy of Huawei in the fields of (fifth-generation network technology 5 HCIA-AI Artificial Intelligence 5G-HCIA computing HCIA Big Data and data huge design HCIA Cloud Computing Cloud. HCIA Routing & Switching (Networking). 851 male and female registered within the targeted age group (14-34 years old) with granting priority to students in the areas of technology. Those who passed the course examination registered through <https://e.huawei.com/en/talent> received an “electronic” certificate from the company and another certificate from the Public Authority for Youth.

Transfer and Settlement of Technology

MMI Montreal Medical International for Medical Training: The company continued its support for the initiative to develop the Medical Research Project 9.0 Zebrafish Training through technology transfer and provide expertise of cooperation with the Dasman Diabetes Institute (DDI) to localize the latest technology research and experiments on the Zebrafish in collaboration with the University of Montreal, and with the participation of a specialized professor and director of the laboratory to provide training workshops and

public lectures for the development and promotion facility Zebrafish Research which has reached to an advanced stage and also expanded research platform in scope and many transfer Protocols and techniques in metabolism to benefit the research capacity of the Dasman Diabetes Institute

Social Responsibility

- GE Kuwait Technology Center: Due to the pandemic and remote work, as part of its social responsibility, the company provided 4 free virtual workshops for government agencies’ interested employees in the field of acquiring leadership skills and building basic leadership capabilities during the month of August.
- Huawei Technologies Kuwait: The company has supported the Ministry of Health by creating a digital internal link between medical staff and remote patients in all hospitals, facilities and quarantine centers designated to combat the pandemic. In addition to linking Kuwaiti doctors remotely with Chinese doctors, providing infrastructure and donating needed advanced equipment. The company also donated more than 6,000 masks and hundreds of safety suits (PPE) to the Ministry of Health, as well as a Covid-19 preventive team at a time when resources were limited globally.

The investment entity in cooperation with Deloitte & Touche Al Wazzan & Partners published a document titled “Fighting COVID-19 with 5G: Opportunities to Improve Public Health Systems”

- Praxair Euro Holding: The investment entity addressed the Council of Ministers and the Minister of Health to inform them that all the company’s activities are subject to the request of the country’s needs by providing the requirements necessary for the Ministry of Health and its facilities to all hospitals of Kuwait during the crisis and at any time by providing the ministry with its gas mixtures according to the quantities and types of gas required for hospital patients. It is worth noting that this company is one of the invest-

ment entities that was granted the privilege of tax exemption by virtue of Law No. 8 of 2001 which is replaced by KDIPA Law No 116 of 2013.

3.2 The Second Annual Assessment Report for Measuring the Economic Impact of Kuwait:

KDIPA developed the second assessment report, which showcases the cumulative impact on the Kuwaiti economy to monitor the direct effects and the indirect and extended derived benefits generated by investment entities licensed, which began its work in various aspects of the Kuwaiti economy, which was based on the perspective of spending in the local economy and the development of national exports through 8 approved criteria for measuring the economic impact as shown in the figure.

According to the cumulative data of the second economic impact report, expenditures spent during January 1, 2015, to December 31, 2019 was 530,326,323 KD. An increase of 15.3%, compared with 458,180,513 KD were spent cumulatively during the period January 1, 2015 to December 31 2018, distributed as shown in the table.

The cumulative economic and social impact during the second follow-up period (2015-2019) included the following achievements:



Jobs for National Workforce

The licensed investment entities provided a range of direct jobs for the national workforce, which included various fields and administrative levels, of which the senior management (General Manager and Chief Executive Officers) comprised around (13.61%), middle management (Deputy Director of Human Resources, Heads of Sections, Legal Counsel) with percentage of 28.62%, lower management (supervisor, team leader, senior accountant) with a percentage of 10.79 % and other employees (architect, accountant, technician, and trainee) with a percentage of 46.98%, this enhances the chances of national employees acquiring global expertise in the sectors related to the development projects in which these investment entities work.

Training for Nationals

The licensed investment entities provide a variety of training programs to enhance national employment capabilities and upgrade their technical qualifications in the areas of e-learning, accounting and finance, anti-money laundering and others by 66.6% , in addition to field training programs (21.51%), and external training programs with 7.36% and training programs to obtain international accreditation and certificates comprised 4.53%.

Settlement of Technology & Transfer

The licensed investment entities provided advanced devices and equipment, considered a proxy to measure the extent of transfer and settlement of modern technology and capacity development in the use of operation and maintenance by 96.40% and the remaining percentage (% 3.60) which has been done in the field of conducting R&D, transfer of modern management systems, know-how, technical expertise, and advanced marketing practices.

Supporting the Local Content

The licensed investment entities that started operations spent on purchasing local products and services, through directly dealing with service providers and goods within the networks of distributors, local producers and suppliers worth 371.9 million KD to support the local component of 70% of the total spending in the local economy. This included dealing with local banks, insurance services, accounting, auditing, law, cleaning, transportation, shipping, car rental and office property to rent offices, buildings, land, hiring local contractors, and in addition to the purchase of products, materials and supplies merchandise to meet the needs of their business activities to support entire national products of services and goods.

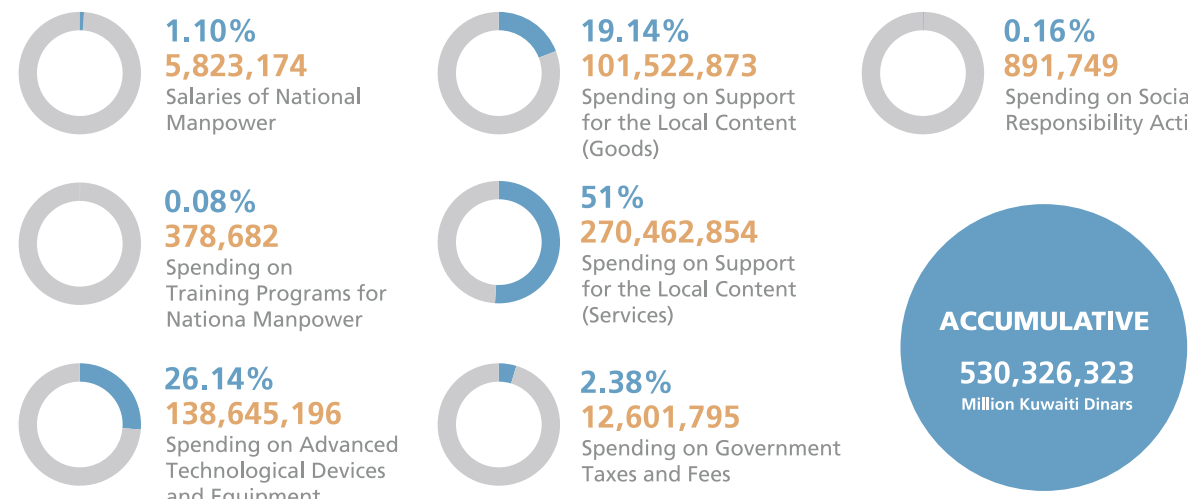
Social Responsibility Activities

The licensed investment entities spent on several social responsibility activities of which included field training programs outside the scope of work by 64.47 % and supporting participation in forums and conferences by 21.47% and on the programs and events in the field of quality, security, safety and environmental sustainability 6.13%, educational activities by% 5.94, and competitions to encourage innovation by% 1.14.

Developing National Exports

In terms of developing national exports, 3 licensed investment entities have continued to contribute to the development of national exports of their local products (goods and services), which are:

- GE Kuwait Technology Center: Supplied maintenance services to the General Electric networks of companies stationed in the neighbouring countries (Saudi Arabia, the United Arab Emirates, Qatar, Bahrain, Iraq, Oman, Egypt, Tunisia, Nigeria, Senegal, and Ghana).
- Huawei Technologies Kuwait: Exporting telecommunications equipment and terminals to neighbouring countries, and re-exporting telecommunications equipment, smart phones and spare parts to Hong Kong.
- Praxair Euro Holding: exporting chemicals, including liquefied gas, gas cylinders, spare parts and maintenance services to the neighbouring countries.

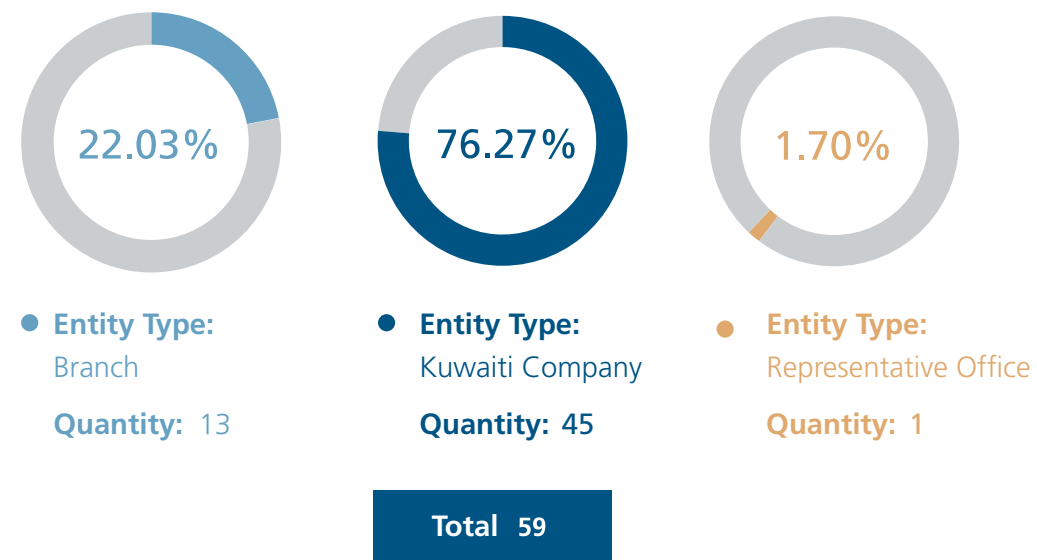




Approved investment entities for FY2020/2021				
	Investment Volume (KD)	Foreign Equity Share	Legal Form	Country
<div><div></div><div>Weatherford Oil Tool Middle East Limited for Services related to oil and gas extraction, excluding exploration Limited Oil & Gas</div></div>	62,176,431	100%	Branch	British Virgin Island
<div><div></div><div>Leonardo for Aviation Services Aviation</div></div>	45,901,000	100%	SPC	Italy
<div><div></div><div>AVIC International Holding Corporation Construction</div></div>	25,731,377	100%	Branch	China
<div><div></div><div>Roche for the Trade in Medicines, Equipment, Devices and Medical Supplies Health</div></div>	18,626,455	100%	SPC	Switzerland
<div><div></div><div>Vamed Management und Service GmbH Health</div></div>	1,579,647	100%	SPC	Austira
<div><div></div><div>GHP International AB Health</div></div>	3,249,355	100%	SPC	Sweden
<div><div></div><div>Amazon Web Services EMEA SARL for Information Technology and Technical Services Information Technology</div></div>	3,584,000	100%	Branch	Luxembourg
<div><div></div><div>Abdul Kader Mikdash Training</div></div>	2,054,348	100%	SPC	Lebanon
<div><div></div><div>Robert Giltay (Ad Blue) Industrial</div></div>	396,285	100%	SPC	Netherlands
Total		163,298,898		



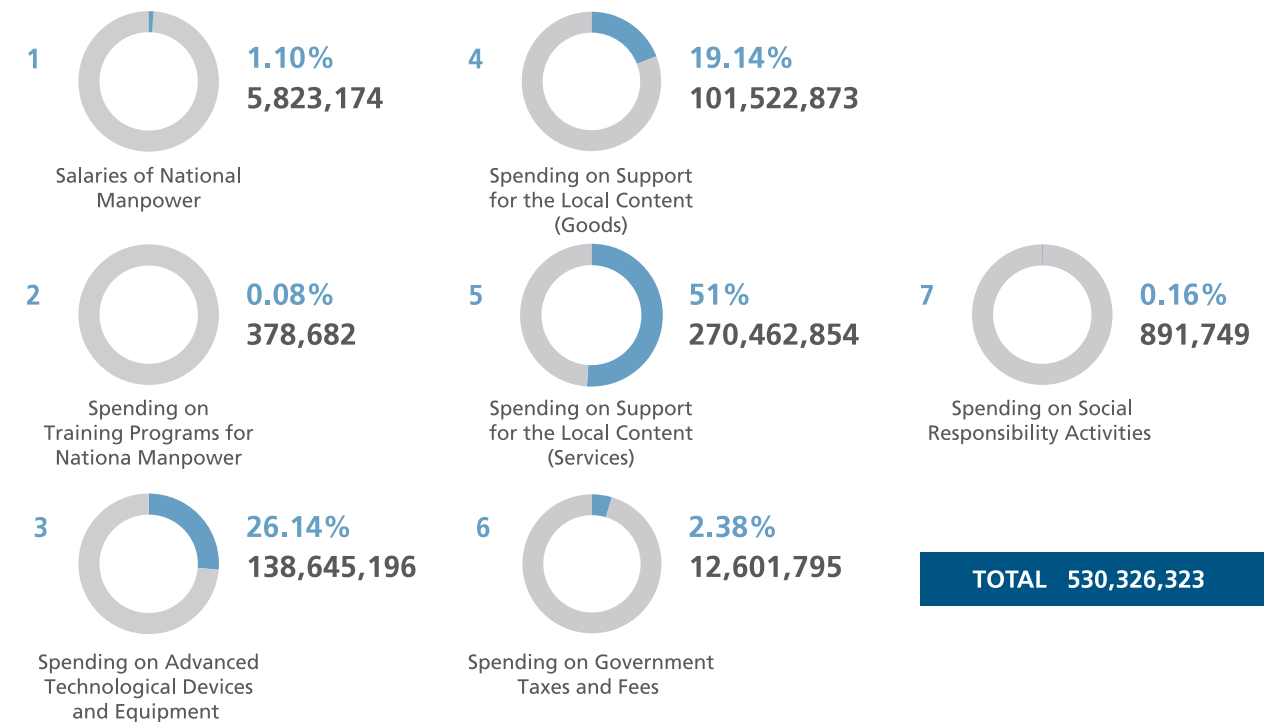
Types of Cumulative Legal Entities (KD)



Recruitment announcements for licensed investment entities



The criteria adopted for measuring the economic impact from the perspective of expenditure





CHAPTER THREE

Investment Operations

FLEXIBILITY IN FACING THE PANDEMIC

During the report period, which witnessed the deepened spread of the global and local outbreak of the corona virus (Covid-19) pandemic. The authority assured the safety and security of its employees, customers and the local authorities that deal with them. In addition to providing facilities and electronic services to facilitate the job workflow, despite the suspension of ministries, departments, and government institutions during the lock down and work with partial capacity or work from home.

29 application request forms have been received from potential investor according to the approved form, covering various activities in the Oil & Gas activities, Consulting services, financial services, Construction, Project management, and from the industrial and agricultural sector, in addition to other activities, of different nationalities.

9 recommendations were prepared and sent to the attention of KDIPA's Director General, in accordance with procedures followed. after the "initial business plan" projects for these investment entities were studied and evaluated.

117 interactions through meetings and correspondence were conducted with 22 government authorities.

During the report period, KDIPA strengthened its investment operations within the framework of managing the One-Stop-Shop department, established under Article (17) of Law No. 116 of 2013 to facilitate procedures, streamline the business environment, and to promote direct investments. KDIPA provided facilitation and aftercare services at all stages of the investment cycle for existing and potential investors. In addition, the tasks performed by the Follow-up and Monitoring department covered follow-up on the licensed investment entities, dealing with complaints and suggestions, and implementing judicial control under Article (33) of Law No. 116 of 2013, as well as the offset department managed the off-set operations as assigned to KDIPA by the Council of Ministers.



1. Investors Service Centre (ISC)

The Investors Service Centre (ISC), a section within KDIPA's One-Stop-Shop Department, received a total of 169 visitors, of whom 76 were walk-ins. KDIPA responded to these investors' inquiries regarding Law No. 116 of 2013, introduced its investment licensing and granting incentives procedures, and provided all the facilitation needed to enable them to carry out their businesses. While 93 booked prior appointments, around 88% of the incoming inquiries were made by existing investors, and the remaining 12% were potential investors to meet with account managers to clarify matters related to the investment licensing procedures, explaining the process of submitting the application request form, the scoring mechanism for evaluating investment licensing and granting incentives, and the mechanism for granting tax exemption against performance.

A total of 353 e-mails were received through web@kdipa.gov.kw, and were tackled by either directing them to the competent entities, or responding directly with the required information and clarifications.

In accordance with the necessities of internal coordination, two virtual meetings were held on June 26, 2020 and on September 28, 2020 between the concerned administrative units to discuss emerging matters in light of the continuation of work from home and adherence to measures and requirements in dealing with the pandemic, which will benefit in enhancing the performance of the authority to implement its tasks and provide the best service to its existing and potential investors.

2. Applications Evaluation Mechanism

A total of 44 meetings were held with 29 investors upon receiving their application request forms to evaluate the initial study of their projects according to the approved evaluation methodology based on the transparent criteria stipulated in Article (29) of Law No. 116 of 2013 and the Director General's decision No. 329 of 2019, Which consists of 5 main criteria's and 15 sub criteria's eventually weighted as shown in the figure. After the completion of the initial study evaluation, 9 recommendations were prepared and sent to the attention of KDIPA's Director General, in accordance with procedures followed.

Prepared 9 recommendations submitted to KDIPA Director General according to instated procedures.



3. Licensing Procedures and Collaboration with Competent Authorities

KDIPA consolidated efforts during the report period for implementing procedures to facilitate investments licensing and granting incentives, as well as project evaluation, in accordance with Law No. 116 of 2013, its executive regulations and the relevant decisions, especially for issuance of the commercial licenses and obtaining necessary approvals, in close collaboration with the Ministry of Commerce and Industry and other competent government authorities.

3.1 Kuwait Business Centre (KBC)

During the report period, KDIPA team stationed at Kuwait Business Centre (KBC), the national one stop shop for business under the Ministry of Commerce & Industry, facilitated obtaining commercial licenses for 17 approved investment entities to enable them to duly issue their investment licenses, in accordance with Law No. 116 of 2013. On another hand, KDIPA collaborated with the Ministry of Commerce and Industry to endorse the licensed foreign branches under Law No. 116 of 2013 and enroll them in the Ministry's roster.

3.2 Competent Government Authorities

During the report period, 117 interactions through meetings and correspondences were conducted with competent government authorities, according to the set framework and cooperation channels in order to smoothly execute the measures and fulfil required procedures, to ensure the smooth flow of the investment process to facilitate the completion of these procedures for the investors who submit applications for licensing investments and granting incentives, as well as providing needed referral letters. Various cooperation channels between KDIPA and competent government authorities are shown in the table (page 60), with interactions conducted with some of these authorities covering more than one area.



Conducted a total of 117 Meetings and Correspondence with 18 competent government entities.

4. Follow-up of Investment Entities

4.1 Periodic Follow-Up

The periodic follow-up of the licensed investment entities that started operating according to the procedures adopted in this regard, the Authority sent, during the reporting period, a total of 90 forms for follow-up (electronic) during the reporting period. 75 of them were received, with a response rate of 83%. In addition, 26 official letters were sent for annual follow-up, 25 of which were received with a response rate of 96.2%. Despite the pandemic conditions, the authority was keen to maintain continuous communication (remotely) with licensed investment entities through more than 269 procedures that varied between email and phone meetings. Quarterly forms were also sent with annual follow-up books on October 5, 2020, to reduce the administrative burden on these investment entities, especially those that started operating during the pandemic. On the other hand, we commenced 31 meetings with licensed investment entities, some of which introductory meetings with new investment entities, others were for the purpose of periodic follow-up and respond to the existing investor inquiries and discuss the relevant topics such as the commencement of operation, employment of national labor file and assess their needs, and the issuance of visas, staff residency, change in manager of the company, renewal of licenses, tax exemption, and any challenges that have arisen due to the pandemic.

On the other hand, a detailed report was prepared on October 15, 2020 regarding the analysis of the employment situation for national labor according to the numbers required by the entities.

4.2 Registration of Direct investment Data

The authority continued its efforts to coordinate with the Central Bank of Kuwait within the existing cooperation mechanism between the two parties for the purpose of showing the true picture of the reality of foreign direct investment in the State of Kuwait in the international balance of payments data on which the specialized international reports are based. It was during the reporting period where we communicated with 32 licensed investment entity that has begun operating of which 26 investment entity have filled the surveys with a response rate of about 81% on average, on October 5,2020 the authority sent out the surveys (International Monetary Fund Coordinated Direct Investment Survey) used in preparing the balance of payments data for the State of Kuwait with the quarterly forms for the second and third quarters of 2020, and the annual follow-up letters for these investment entities to fill and send the surveys to the Central Bank. It has been allowed to postpone the submission of the reports or the required data to reduce the administrative burden on these licensed investment entities that started operating during the pandemic conditions as support until circumstances are back to normal.

Clause	April- June 2020	July- September 2020	October- December 2020	January- March 2021
The number of investment entities to which the survey was sent	25	25	25	32
The number of investment entities that filled in the survey	9	12	19	12
Investment entities that provided data as required	6	8	11	10
Investment entities that did not have data as required	3	4	8	2
Response percentage (%)	36%	48%	76%	37%

4.3 Measures related to handling complaints and suggestions

During the period for a year, 18 complaints were received and worked on, as well as studying 5 suggestions. 294 procedures were taken including teleconferencing, phone calls, emails, and memos. As shown in the figure:

5. Managing KDIPA’s Incentives

5.1 Customs Exemption

During the reporting period, a total of 3 customs consignments were handled.

5.2 Tax Exemption

During the reporting period, Director General Decision No. (180) for the year 2020 was issued on May 6, 2020, regarding amending the decision of the mechanism for granting tax exemptions to the Kuwait Direct Investment Promotion Authority No. (16) of 2016 as Amended by the Decision No. (76) of 2018. For the first time, we have added a new criterion which is sustainable development that includes social responsibility and environmental sustainability in the granting of the exemption tax mechanism to cope with the decision of the Director General No. (329) for the year 2019 regarding the mechanism for evaluating investment license applications and granting of benefits which replaced the decision of the Director General No. (313) of 2016 There are 6 tax exemption certificates granted in exchange for the performance of licensed investment entities, according to its commitment to the Authority tax exemption mechanism in cooperation with the Ministry of Finance to link the granting of the exemption advantage of the tax performance of the investment entity that is licensed to it in accordance with Law No. 116 of 2013 in order to stimulate investors to maximize the economic and social impact. We held 9 meetings virtually, including two meetings with licensed entities and 7 meetings with audit firms on behalf of investment

entities approved by the Ministry of Finance during which the answer to inquiries regarding the preparation of the report of the tax exemption for performance.

6. Judicial Officer

In the framework of the implementation of the oversight role of the Authority, and approved by the Board, during the reporting period to take punitive measures for violation of license requirements included sending warnings to 3 licensed investment entities, and off an administrative temporary entity investment licensed, while the lifting of the denial of the advantage of tax exemption entity investment licensed, and extending the period of time to start operating for another licensed investment entity. Also, during the reporting period, there was cooperation with the Kuwait Institute for Judicial and Legal Studies to organize a specialized course that benefited 8 new employees. Thus, the total number of the Authority’s employees with the status of a judicial police became 16. The judicial police officers conducted 35 field visits and held one meeting with one of the licensed investment entities to discuss the developments, while ensuring the monitoring of the extent of the commitment of these investment entities and legal entities. Reports summarizing the results of these visits and the meeting have been prepared and submitted to the Board of Directors, which approved them in its meetings.

7. Listed Firms

During the report period, the number of listed consulting companies and firms representing investment entities has been updated to 52 companies and offices. An announcement opening the door for receiving the fifth wave of requests from consulting companies and firms requesting to deal with KDIPA on behalf of investors was published during the period from 31 January 2021 to 1 March 2021. Concomitant with the announcements, a team was formed to receive the consulting companies and firms requests according to

decision 47 for the year 2021 dated 2 February 2021. KDIPA’s Director General issued 5 decisions regarding renewing the list of registered accredited consulting companies and firms for one year from the date of issuance of the certificate of registration as show in the table (page 61). Within the framework of the services offered by KDIPA to the approved consulting companies and offices, three introductory workshops were organized at KDIPA’s premises, attended also by the licensed investment entities. The first workshop was held on May 14, 2020, during which the measures adopted by the Board of Directors were presented to counter the impact of the Corona Virus (Covid-19) pandemic on the licensed investment entities during this crisis. and the second workshop on July 26, 2020, during which a detailed explanation was presented of the Director General’s Decision No. 329 of 2019 concerning the mechanism for evaluating applications for investment licensing and granting incentives, and decision No. 180 of 2020 regarding amending the decision on the mechanism for granting tax exemption, as well as decision No 105 of 2020 and decision No 173 of 2020 related to recommendations and measures to reduce the effects and repercussions of the Corona Virus (Covid-19) pandemic. and the third workshop on 30 March 2020, during which a detailed explanation concerning the mechanism for evaluating applications for investment licensing and granting incentives and its reflection on the mechanism for granting tax exemption, as well as introducing the required procedures for submitting applications on behalf of investors, KDIPA’s evaluation principles, and the clarification of the follow-up and audit procedures between the provision of aftercare, the supervisory role it performs, and the content of the relevant decisions. For the second time a special questionnaire was designed to measure the satisfaction of accredited consulting companies and offices with the aim of improving rendered services in a way that achieves mutual benefit for all parties: KDIPA, the consulting companies and offices, and the investors, both the licensed investment entities and potential investors.

8. Counter Trade “Offset” Program

During the period covered by this report KDIPA continued its efforts of following up the implementation of existing offset obligations, in line with the adopted offset regulations, as stipulated in the Guidelines for Kuwait Offset Program No. (9)-2007 and related decisions. KDIPA has also received several inquiries, which it addressed either through organized visits, or telephone and email communications; and through continuous coordination with government entities, either those that are benefiting from the offset projects or those that could provide specialist assistance. The following schedule details the efforts of KDIPA in implementing offset procedures and communicating with offset obligors, to provide them with assistance in fulfilling their projects.

9. Economic Zones, Free Zones and Commercial Plots

9.1 KDIPA’s Economic Zones

During the report period and with the continuation of COVID-19 pandemic, KDIPA carried out field visits and held several meetings with the relevant authorities to obtain the necessary approvals to carry out KDIPA’s Economic Zones projects. A vision has been set to develop the follow up work on the development of KDIPA’S Economic Zones, along with preparing guides for Economic Zones, Free Zones and Commercial Plots. KDIPA has enhanced the human capabilities of its employees, as they represent the focal point of participation in their projects through several events including a workshop on preparing documents to qualify contractors, a training course on preparing contracts, procedures and documents for tendering and auctions, and an introductory workshop for public au-

Item	Procedure
Offset Program Procedures	
Proposed Concept papers of offset projects	Received and evaluated 6 concept papers, and communicated with concerned entities, and approved 2 of these concept papers.
Provision of reduction in offset obligations	A total of 7 offset obligations were reduced, and 14 offset reduction claims were evaluated, in accordance with the implemented stages of the approved business plans
Sub-contracts of offset obligors	Studied and assessed 3 sub-contracts of offset obligors.
Government contracts subject to offset	Studied and assessed 7 government contracts
Bank guarantees	Renewal of bank guarantee : Renewed 77 bank guarantees Reduction of bank guarantee: Reduced the value of 7 bank guarantees for offset obligors, in accordance with the stages of implementation of the adopted business plans. Release of bank guarantee: Released 7 bank guarantees for offset obligors that totally fulfilled their offset obligations.

Communications with offset obligors	
Correspondence	Sent 30 letters to offset obligors and government entities
Telephone Communications	Received around 150 telephone calls
Electronic mail	Sent 204 emails
Internal Memos	Sent 31 internal memos
Meetings	Held 50 meeting: 25 were held with government entities 25 were held with non-government entities related to the offset obligations and projects



thorities on the partnership system between the public and private sectors. In addition, a workshop on methods of attracting direct investment to enhance the understanding of the promotional aspect in a complementary manner to the engineering and technical aspects to improve the management and the follow up of the Economic Zones, Free Zones and Commercial plots.

Jobs for National Workforce

Abdali Economic Zone has come a long way in completing the implementation stages of the final design of the infrastructure (the third and fourth phases) by the Engineering consulting firm that was contracted to perform the required services. Also, KDIPA resumed meetings virtually with the consulting office on a weekly basis, due to the COVID-19 pandemic, to follow up on any developments and facilitate the completion of the required procedures related to infrastructure, especially regarding approvals required for the development of the masterplan, land uses and construction tender documents. Other procedures include obtaining approvals from all concerned parties for the work of the Abdali Economic Zone design project and submitting them to the Municipal Council.

KDIPA met with the Kuwait Authority for Partnership Projects to discuss the possibility of tendering Abdali Economic Zone project for implementation and the timeframe required for the tendering process. KDIPA also met with Kuwait Oil Company to remove any obstacles on the project's territory. Several field visits were made to the site of Abdali Economic Zone and a visual presentation was made to KDIPA's Board of Directors regarding possible options for the implementation of Abdali Economic Zone project, after meeting with all related authorities. The Board of Directors decided to delegate KDIPA to address the Council of Ministers regarding the responses of the authorities.

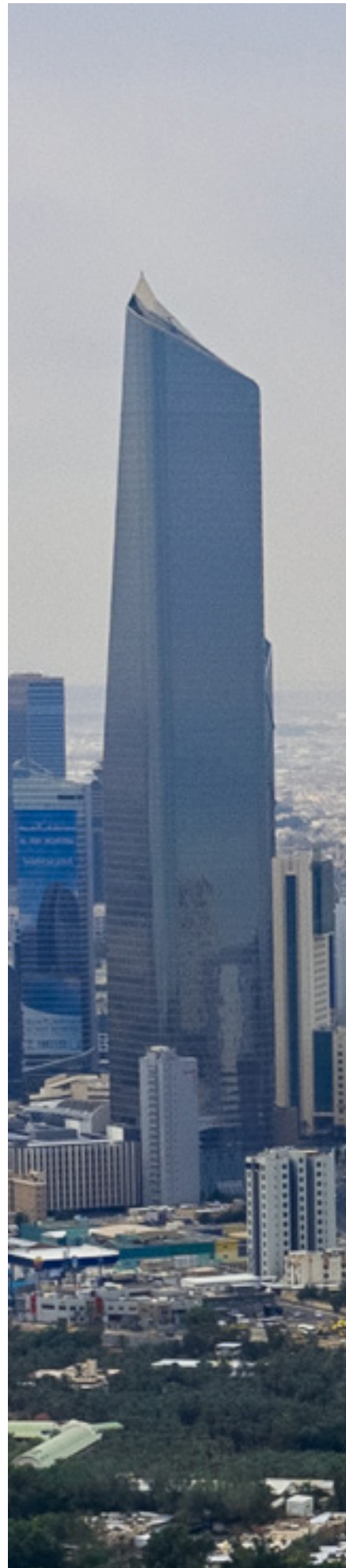
Al-Wafra Economic Zone

Approval from the Council of Ministers - Legal Advice and Legislation was obtained for developing the masterplan and infrastructure design of Al-Wafra Economic Zone project, tender for design documents have been prepared by KDIPA, And the necessary approvals was obtained for the project to be tendered by the Central Agency for Public Tenders, and the tender was announced in their website. At the request of interested engineering consulting firms, the bids closing date has been extended due to the repercussions impact of COVID-19 pandemic on consulting firms. KDIPA formed a committee to evaluate the technical bids for the masterplan development and infrastructure design of Al-Wafra Economic Zone project tender on March 10, 2021. The committee started the technical evaluation after receiving the technical bids envelopes and ended with evaluating 11 engineering firms who fulfilled the conditions of the tender, and it will later complete the financial evaluation and award winning proposal.

Al-Naayem Economic Zone

Al-Naayem coordinates have been obtained from Kuwait Municipality on October 21, 2020, based on KDIPA'S request to handover the land. Coordination between KDIPA and the stakeholders of the Public Authority for Industry is underway; based on a mandate by PAI's board of directors to study the feasibility of tendering Al-Naayem Economic Zone project to be developed alongside Public Authority for Industry the project in the same area. A meeting was held with the Public Authority for Industry to discuss the terms of the memorandum of understanding that will be prepared to tender the two zones for development.





9.2 Free Zones

Council of Ministers Decision No. (430) of 2019 was issued on April 11, 2019, which includes approval to extend the mandate issued under Council of Ministers Decision No. (1337) of 2018 on September 26, 2018. Provided that the Ministry of Finance (State properties department) during the transitional period shall take all necessary legal and financial measures that guarantee the rights of the state and the preservation of public money. Council of ministers issued Decision No. (1003) for the year 2020 on August 18, 2020, notifying the Council of the Ministry of Finance (State Property Department) statement, regarding the adoption of the proposal made by the Public Authority for Industry (PAI) in respect of giving the investors in the (formerly free zone) an opportunity to reconcile their legal status. In addition to canceling Clause No. (2) of Cabinet Resolution No. (1337) of 2018 regarding the future zone located in Shuwaikh (formerly free zone) developments and the future visions and proposals. In addition, assigning the matter to PAI to coordinate with the Ministry of Finance, Kuwait Municipality, and the Department of Legal Advice and Legislation; to study the condition of all contracts related to future zones that are in Shuwaikh area, determining the legal procedures that must be taken to arrange contractual situations related to the zone. Moreover, determining the activities that may be practiced in the zone as well as coordinating with the concerned authorities to develop the necessary infrastructure services as a private ownership (multi-purpose commercial zone) affiliated with the Ministry of Finance (State property department).

9.3 Commercial Plots

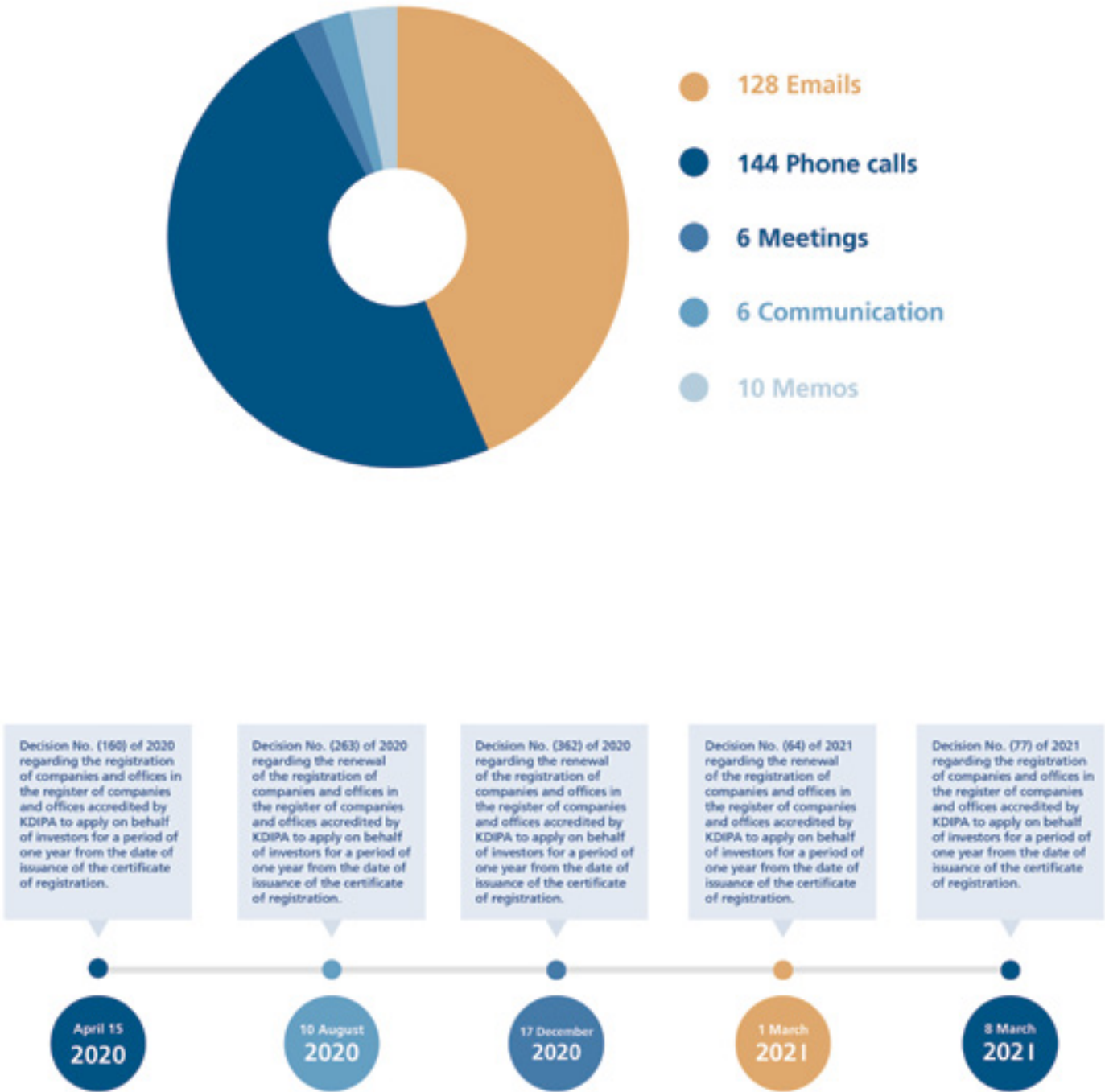
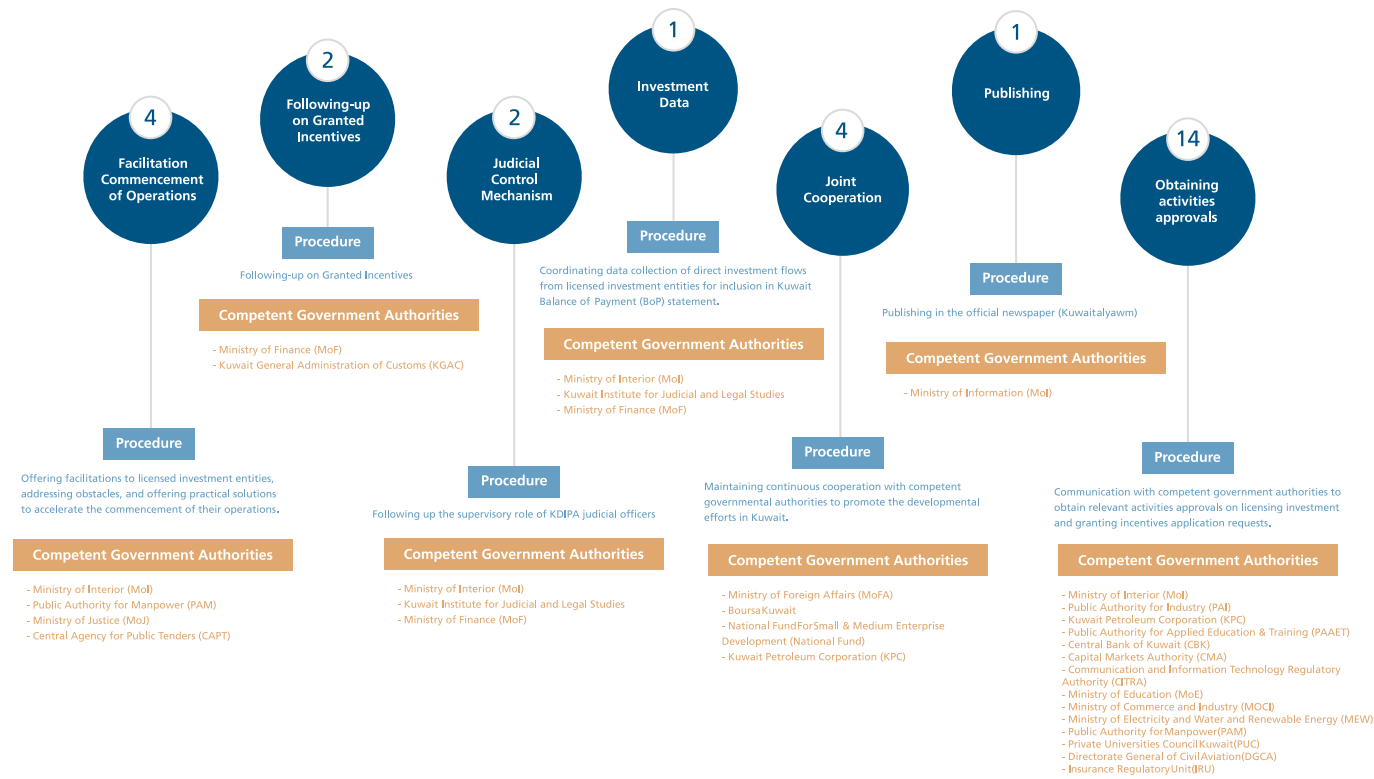
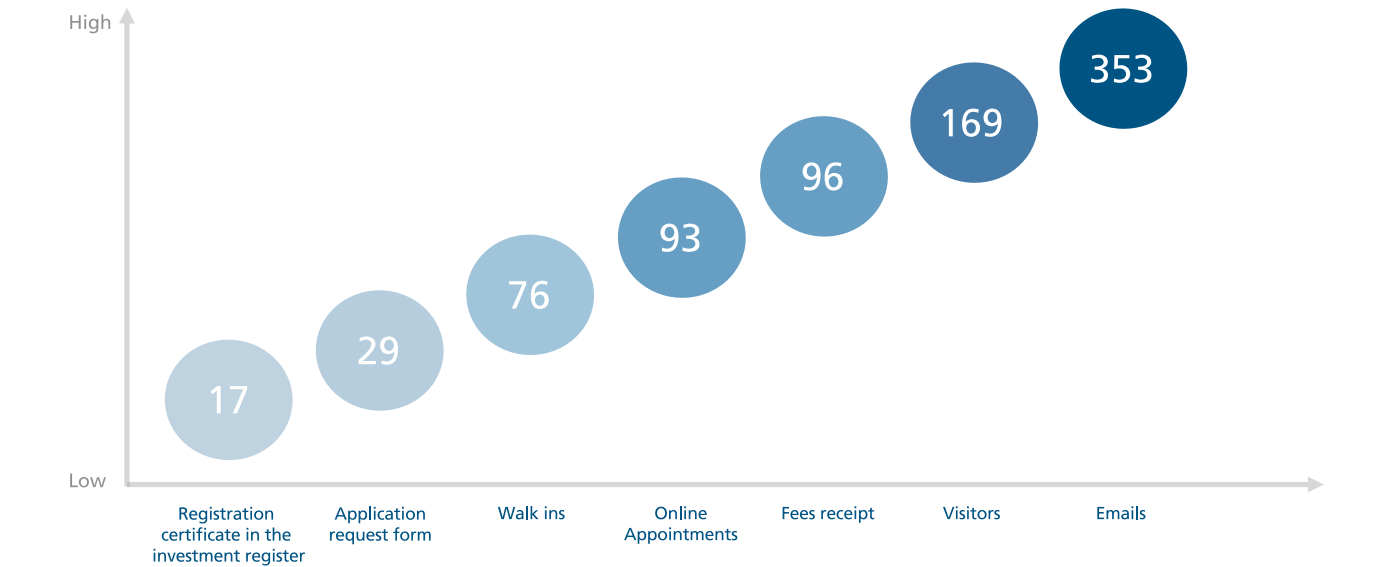
KDIPA has started the preparation procedures for allocating and distributing commercial plots and the preparation of the terms of reference and bidding documents in accordance with the Council of Ministers Decision No. (49) of 2019 issued on January 24, 2019 to present them to the committee initiating the procedures for allocating commercial plots. The committee was formed under the Council of Ministers Decision No. (62) of the year 2019 issued on January 30, 2019 headed by the Director General of Kuwait Municipality and the representatives from the Ministry of Commerce and Industry, Department for Legal Advice and Legislation, the Central Agency for Public Tenders and Ministry of Finance (State Property Department), and the secretary position was assigned to Kuwait Direct Investment Promotion Authority. After the Department for Legal Advice and Legislation was addressed to express its views on the matter, the committee held two meetings on November 25, 2020 and March 29, 2021 during the report period, in which inquiries that needed further clarification regarding the allocation and distribution of commercial plot procedures were discussed.

10. KDIPA headquarters Building:

KDIPA'S Building Design Committee continued its tasks in coordination with the Ministry of Public Works and other concerned parties. A public tender for consultancy services for the study and design of "Headquarters building of Kuwait Direct Investment Promotion Authority" was published on July 26, 2020 through the Central Agency for Public Tenders. The KDIPA'S Building Design Committee held 4 meetings during the report period. It also started the process of technical evaluation of the Engineering Consulting firms that has submitted their bid proposals to design the project, and it will later complete the financial evaluation award the winning proposal.



Investors Service Centre Activities





CHAPTER FOUR

Promotional Activities

RESILIENCE IN THE FACE OF THE PANDEMIC

During the report period, and in the face of the unprecedented outbreak of coronavirus (Covid-19) pandemic which spread globally and locally, KDIPA continued performing its promotional activities using virtual communications, focusing on strengthening investors targeting efforts, and showcasing Kuwait' unique attributes as an investment hub. In addition, KDIPA engaged in various collaborative efforts in face of the pandemic, responding to the health, social, and economic repercussions, while aiming to foster sustainability.

Due to the spread of coronavirus pandemic, KDIPA focused its media campaigns on virtual channels including the websites, smart phones Apps, social media.

Despite the pandemic, KDIPA participated in 17 conferences and events, of which it organized 4 of them.

The third edition of Kuwait Investment Outreach (KIO) Roadshow was the first event organized virtually by KDIPA, with the participation of 262 interested investors from all over the world.

KDIPA signed an MoU with the Government of Qatar in the field of “promoting direct investment ” on November 17, 2020.

KDIPA continued to preside over the Trade and Investment Group within the Kuwait-UK Joint Steering Group.

KDIPA signed a cooperation mechanism with the Public Authority for Civil Information (PACI) on January 14, 2021.

1. Promotional Activities

KDIPA executed several promotional and marketing activities during the report period according to its mandate to promote Kuwait, identify promising investment opportunities, and target priority sectors. The promotional and marketing activities are covered in the following paragraphs. The following paragraphs detail promotional and marketing activities used.

1. Kuwait Investment Forum (KIF)

Due to the spread and repercussions of the coronavirus (Covid- 19) pandemic locally and globally, KDIPA continued to postpone the third edition of its flagship promotional event “Kuwait Investment Forum” to a later date. In its earlier two editions, KIF was held under the patronage of the late Emir of Kuwait His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, and was co-organized with the Kuwait Chamber of Commerce and Industry (KCCI). KDIPA continued to monitor emerging developments to be able to adequately plan and prepare given the significance of this event.

2. Kuwait Investment Outreach Roadshow

KDIPA organized virtually its third edition of the Kuwait Investment Outreach Roadshow under the title “Capitalizing on Digital Transformation” on December 9, 2020 in cooperation with the Financial Times Group (FT LIVE), after cancelling the originally planned event in Singapore on February 21, 2020 due to the outbreak of the pandemic. The event featured two discussion panels and three presentations that cast a light on the main economic and investment developments in Kuwait, in addition to highlighting Kuwait competitive advantages. The event took place with the support of several local partners including Zain Telecom Company, Kuwait Financial Centre (Markaz), Kuwait Finance House (KFH), Boursa Kuwait, and the Kuwait Foundation for the Advancement of Sciences (KFAS). The First edition of the Kuwait Investment Outreach Roadshow was held in London in 2018, and the second edition was



held in Palo Alto, California in 2019. KDIPA is considering launching a series of digital Kuwait Investment Outreach Roadshows in the upcoming period.

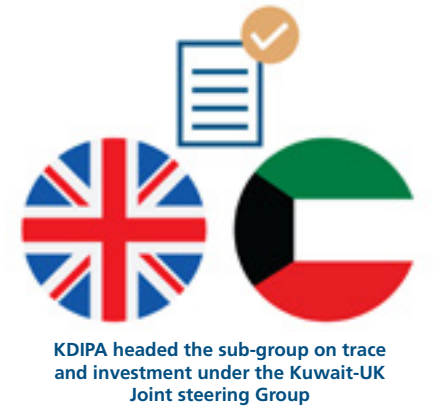
3. Interviews and Meetings

Represented by its senior management, KDIPA met at its headquarters with several dignitaries including ministers and ambassadors from the United States of America (USA), the European Union (EU), Germany, France, Austria, the United Kingdom(UK), Turkey, Japan, and Oman, as well as a Turkish Commercial consultant, the Charge d ‘Affairs at the Embassy of the Lebanese Republic to the State of Kuwait; government officials from the Supreme Council, the for planning and development, and the Department for Legal Advice and Legislation; officials from international organizations including the World Bank Group (WBG), and the United Nations Development Program (UNDP). KDIPA management also met with executives from major local and international companies; officers from peer investment promotion agencies; as well as investment delegations, including one from the EU, and representatives of local civil society organizations including the Kuwait Economics Society, Kuwaiti Union of real estate brokers, and Kuwait Lawyers Society.

4. Bilateral Committees and Business Councils

KDIPA participated in 14 periodic and coordination meetings of bilateral committees, councils, high ministerial committees, and other committees which Kuwait has economic, investment, and commercial relations with.

• **Fourth Kuwait – US Strategic Dialogue**
The Fourth round of Kuwait – United States Strategic Dialogue was held virtually on November 19, 2020, from the headquarters of the Ministry of foreign Affairs in Kuwait. Among the sessions convened online, was the meeting of the Trade and Investment Working Group, headed by KDIPA’s Director General. The Strategic Dialogue provided the framework to further strengthen the bilateral commercial and investment relations between the two countries.



• The Kuwait-UK Joint Steering Group Meetings

The Fourth round of Kuwait – United States Strategic Dialogue was held virtually on November 19, 2020, from the headquarters of the Ministry of foreign Affairs in Kuwait. Among the sessions convened online, was the meeting of the Trade and Investment Working Group, headed by KDIPA’s Director General. The Strategic Dialogue provided the framework to further strengthen the bilateral commercial and investment relations between the two countries.

• **Other Committees Meetings**
During the report period, KDIPA participated in other coordination and periodic meetings of the joint high ministerial committees between Kuwait and the governments of the Gulf Cooperation Council (GCC), as well as the European External Action Service (EEAS), the UAE, Egypt, Australia, New Zealand, and Brazil. Preparations were undertaken to arrange for holding the first meeting of the Kuwait-Saudi Coordination Council, established back in July 2018, to enhance cooperation between the two countries, especially under the dire conditions of the coronavirus pandemic.

The Table below lists all the bilateral meetings that were held during the report period, either virtually or in person but with obser-

vance of distancing and other health precautionary measures.

Meetings of Bilateral Committees

No.	Date	Meeting
1	16/7/2020	Second EU-Kuwait Senior Official Meeting between the Ministry of Foreign Affairs and the European External Action Service (EEAS) for implementing the Memorandum of Cooperation arrangement signed between the Ministry of Foreign Affairs of Kuwait and the European External Action Service in 2016.
2	19/08/2020	Meeting of the Sixteenth session of the Kuwait-UK Joint Steering Group.
3	23/09/2020	Coordination meeting for the First session of the Kuwait-Saudi Coordination Council.
4	27/10/2020	Coordination meeting of the joint higher committee between the Government of the State of Kuwait and the Governments of the Gulf Cooperation Council.
5	02/11/2020	Coordination meeting for the Fourteenth session of the Joint Kuwait-Emirati Higher Ministerial Committee
6	04/11/2020	Coordination meeting for the Fourth session of the Kuwait-US Strategic Dialogue.
7	11/11/2020	Coordination meeting for the First meeting of senior officials talks between the Government of the State of Kuwait and the Government of Australia.
8	17/11/2020	The first meeting of senior officials between the Government of the State of Kuwait and the Government of Australia.
9	19/11/2020	Meeting of the Fourth session of the Kuwait-US Strategic Dialogue.
10	28/12/2020	Coordination meeting to activate the Memorandum of Understanding (MoU) signed with New Zealand, Brazil, and a number of South American countries.
11	14/01/2021	Coordination meeting for the Thirteenth session of the Kuwait-Egyptian Joint Higher Ministerial Committee.
12	07/02/2021	Coordination meeting for the First session of the Kuwait-New Zealand Joint Ministerial Committee.
13	10/02/2021	Meeting of the First session of the Kuwait-New Zealand Joint Ministerial Committee.
14	22/02/2021	Meeting of the Second round of political consultations between the Government of the State of Kuwait and the Government of the Federal Republic of Brazil.

5. Memorandum of Understanding

During the report period, KDIPA signed a Memorandum of Understanding (MoU) for cooperation in the field of “promoting direct investment” with the Government of the State of Qatar on November 17, 2020 within the framework of the work of the Kuwait-Qatar Supreme Joint Committee. Because of the pandemic, the signing ceremonies took place in both Kuwait City and Doha virtually. Furthermore, a draft MoU in the field of free zones with the Republic of Turkey was considered, and a meeting was held to follow up on the execution of the agreements and MoUs signed with the People’s Republic of China.



KDIPA signed MoU for promoting direct investment with the Government of the State of Qatar on 17 November 2020

KDIPA, through the efforts of the Committee for the Follow-up and Implementation of International Agreements and Internal Cooperation Mechanisms with Government Agencies, the internal cooperation mechanisms with several government authorities was further strengthened. In this regard, KDIPA signed a cooperation mechanism with the Public Authority for Civil Information (PACI) regarding the Kuwait Mobile ID Application “Hawiti هويتي” on January 14, 2021.



KDIPA signed a cooperation mechanism with the Public Authority for Civil Information (PACI) on 14 January 2021

A coordination meeting was held virtually between KDIPA and the Environment Public Authority (EPA) on February 16, 2021, to discuss joint cooperation on the environmental issues.



A regular meeting of the Consolidated Partnership Advisory Council was held on October 14, 2020 to discuss the cooperation agreement between KDIPA and Kuwait Petroleum Corporation (KPC). A meeting was convened between KDIPA and the Ministry of Finance on December 16, 2020, to discuss cooperation between both parties in data exchange. The committee organized an orientation meeting for KDIPA employees on March 18, 2021, to present its tasks and responsibilities. KDIPA also provided the Ministry of Finance with its answers to the questionnaire sent by the Organization for Economic Cooperation and Development (OECD) about Law No. 116 of 2013 regarding the promotion of direct investment in the State of Kuwait.

In the same context, KDIPA also strengthened its coordination with the Ministry of Foreign Affairs to follow up and implement the MoUs signed between Kuwait and other international parties, especially those that entered into force.

At the request of the Ministry of Foreign Affairs (MoFA), KDIPA provided the Ministry with available data on the size and type of investments of some European companies in Kuwait, as well as investment data between Kuwait and the United Kingdom in accordance with Law No. 116 of 2013 within the framework of the joint review of trade and investment relations between the Gulf Cooperation Council (GCC) countries and the United Kingdom. KDIPA also provided summary information on GCC experience in the field of investment, incentives offered in Kuwait to promote foreign direct investment (FDI), and free zones in Kuwait. KDIPA updated and reviewed its promotional brochure “Discover the Opportunity” and provided copies for MoFA. KDIPA filled relevant information about it in the International Investment Agreements (IIAs) Survey sent by UNCTAD through MoFA.

6. Participating in events

In view of the exceptional circumstances created by the coronavirus (Covid- 19) pandemic and finding ways to adapt to it, KDIPA participated in a total of 13 local and external events, held mostly virtually, relating to its field of specialization to promote Kuwait as an investment hub and showcase its advantages, as seen below.

- **“Doing Business in Kuwait” symposium:** Held on August 6, 2020, and was organized by BDO Al Nisf and Partners, in which KDIPA provided an overview of the advantages and incentives available to foreign investors under Law No. 116 of 2013.

- **Arab-British economic webinar:** “Opportunities in Kuwait”: Held virtually on September 14, 2020 and was organized by the Arab-British Chamber of Commerce (ABCC) in collaboration with the Kuwait Chamber of Commerce & Industry (KCCI), the UK Department for International Trade (DIT), and the Embassy of Kuwait in the UK. The webinar was attended by several senior officials amongst whom the Commercial Envoy to the UK Prime Minister in Kuwait, the Kuwaiti ambassador to the United Kingdom, the British ambassador to the State of Kuwait, and the Arab- British Chamber of Commerce.

- **New World Model:** The Future of Industry: Held during the period September 15-17, 2020 and was organized by the World Free Zones Organization (WFZO) to assess the impact of the pandemic on free zones, global supply chains, logistics and consider the future of business for the post-pandemic era.

- **OECD meeting on “Corporate Governance in the Middle East and North Africa”:** Held on December 21, 2020, in cooperation with the Ministry of Finance in Kuwait.

- **AIM Virtual Annual Investment Forum 2020:** Held during the period October 20-22, 2020, under the theme “Reshaping economies: Transformation towards a resilient and sustainable digital future.” The online event was organized by the UAE Ministry of Economy. KDIPA participated in its virtual exhibition through which KDIPA representatives show-

cased Kuwait and its investment opportunities and developments to the companies in attendance.

- **The fifth EU-Arab World Summit:** Held virtually during the period November 9-10, 2020, aimed at exchange of experience and benefits between the two regions, and to enhance cooperation between the Arab and European regions.

- **UN75Talks webinar titled “The State of Kuwait: Private Sector Led Economy-Innovation Knowledge- based partnerships”:** Held on November 23, 2020 and was organized jointly by the United Nations Development Program (UNDP) in Kuwait and the General Secretariat of the Supreme Council for Planning and Development (GSSCPD). KDIPA described its role in contributing to economic diversification by the promotion of sustainability towards a knowledge- based economy.

- **France- Kuwait Economic Webinar:** Held on November 25, 2020, and was organized by MEDEF International and the Kuwait Chamber of Commerce and Industry (KCCI) to present the economic impact of the pandemic on Kuwait and France, introducing investment opportunities in both countries, and other potential areas for bilateral cooperation.

- **The Ministerial Forum: Achievements despite Challenges:** Held under the patronage of H. E. the Prime Minister of Kuwait on December 2, 2020. at Jaber Al-Ahmed Cultural Centre. It brought together all the ministers and other senior government officials to highlight the achievements attained during the pandemic, which was placed at the top of the government priority and action to combat it. This was the fourth edition since the Ministerial Forums started back in 2017.

- **Introductory meeting on the rules for Implementing the Right to Information Law (Law No. 12 of 2020):** Held under the patronage and with the presence of H. E. the Prime Minister of Kuwait on February 24, 2021, at Jaber Al-Ahmed Cultural Centre. The meeting was attended by various state ministers and officials from 75 government

entities, including KDIPA. It aimed to ensure the readiness of the government apparatus in implementing the law before it comes into force, given the importance of this law in promoting transparency, improving business environment, Kuwait’s competitiveness, and good governance.

- **Virtual workshop on the Hydrogen Revolution- Exploring Kuwait’s Role:** Held on March 22, 2021, for the purpose of focusing on efforts made to launch a national strategy in the development and usage of hydrogen energy as a transition towards renewable energy sources, which became an important issue especially after the signing of the Paris Climate Agreement. The virtual workshop was organized by the Embassy of the State of Kuwait in Germany, the Kuwait Foundation for the Advancement of the Sciences (KFAS), and various German research centres. The workshop KDIPA participated in the discussion session on “Expectations and Objectives of Energy Transformation in Kuwait.”



KDIPA participated in 18 conference and activity

- **The Communication and Information Technology Regulatory Authority (CITRA) Press Conference:** Held on March 22, 2021, on the occasion of the issuance of the first Mobile Virtual Communications Network (MVNO) license in Kuwait, acquired by Virgin Mobile Kuwait, an investment entity licensed by KDIPA in accordance with Law No. 116 of 2013, with a strategic partnership with the Kuwait Telecom Company (STC). This will make Virgin Mobile Kuwait the fourth communication services provider in Kuwait, and will enable the company to broaden the range of the innovative digital services in Kuwait.

- **Private Sector roundtable on Kuwait’s Draft Cloud Regulatory Framework:** Held on March 29, 2021, and was organized by

the U.S. Chamber of Commerce. The meeting was attended by the Vice President of Middle East Affairs, at the U.S. Chamber of commerce and the U.S. Ambassador to the State of Kuwait. KDIPA provided an overview on the role of direct investment in supporting the Kuwaiti economy.

7. Organizing events

During the report period, KDIPA organized virtually 4 events that cater to address its objectives and scope of work locally and internationally.

- **Meeting with a group of American companies:** Held on May 6, 2020 in cooperation with the U.S. Chamber of Commerce to shed light on the measures undertaken by Kuwait to combat the coronavirus (Covid-19) pandemic. KDIPA was represented by its Director General, who provided a brief overview of the preventive and precautionary measures carried out by the government, the stimulus package to ease the impact of the pandemic on the business operations, and efforts exerted by KDIPA in face of the pandemic to maintain strong communications with its clients amongst the licensed investment entities and other partners.

- **Internal virtual workshop on “The future of investment promotion - Post Covid-19 Lesson for KDIPA”** held on July 9, 2020.

- **A seminar on “Innovation and the Private Sector in the State of Kuwait”** Held on September 22, 2020, and was organized by KDIPA in cooperation with the U.S. Chamber of Commerce, and the Kuwait Foundation for the Advancement of Sciences (KFAS). Several senior officials participated from the Kuwait Life Sciences Company, Equate, General Electric Kuwait Technology Centre, IBM Kuwait, and Boubyan Bank.

- **The 4th Annual U.S. – Kuwait Economic Forum:** Held virtually on November 17, 2020, and was co-organized by KDIPA in cooperation with the U.S. Chamber of Commerce, aimed at highlighting the strength of bilateral economic and commercial relations

and reflecting on the pivotal role of the private sector in both countries to further their collaboration, as well as reviewing the latest investment developments in the State of Kuwait. A session was assigned in this Forum to showcase the economic priorities for Kuwait in the post coronavirus era.

8. Investors Targeting

During the report period, KDIPA strengthened its promotional activity in the field of targeting investors by launching its new communication campaign, that included sending direct letters and e-mails to 40 international companies selected from KDIPA's internal list of targeted companies. KDIPA also initiated a study to review the priority targeted sectors in light of the covid-19 pandemic and its repercussions. KDIPA also met with its Turkish counterpart to discuss organizing a virtual conference for introducing and exchanging potential investment opportunities and strengthen networking amongst investors in both countries.

9. Media Relations

KDIPA continued to build its network of promotional relations with several institutions; local, regional, and global media organizations to publish its press releases, articles, special editions, and interviews that aim to showcase KDIPA's role in attracting foreign direct investment and introducing the benefits of investment in Kuwait. KDIPA also renewed its annual membership in the World Association of Investment Promotion Agencies (WAIPA), to benefit from the services it provides to its members in different fields; developing the capabilities of employees to promote investments, building public relations networks and provide information sources.

In terms of interviews, KDIPA, represented by its Director General, responded to several requests to hold press interviews for publications and specialized magazines, both digital and traditional, as well as to take part in Kuwait-specific editions or part of a broader regional report. Some of these interviews were published during the report period and others are yet to be published in the coming period. The main points tackled in the interviews covered KDIPA's key achievements,

along with the emerging developments in the investment environment in Kuwait, the potential investment opportunities, and finally, how Kuwait dealt with the coronavirus (Covid-19) pandemic and its repercussions. The interviews were included in the following publications:

- An article as part of a specialized report on the Middle East in the Global Finance Magazine issued on February 3, 2021.

- A collection of quotes approved by KDIPA, included in a special report on Kuwait, in the fDi Intelligence Magazine, issued on April 16, 2020, and on their website.

- An article in a special edition of "The Times Kuwait Report 2020" issued in May 2020.

- A report titled "Kuwait 2020: Resilience and Management in the times of crisis" published by the Business Year Group, who signed an MoU with KDIPA, and was circulated in the third quarter of 2020.

- A report titled "Covid-19 Recovery Roadmap: Kuwait" published by the Oxford Business Group, who signed an MOU with KDIPA, that will be circulated in the second half of 2021.

In terms of responding to surveys, KDIPA participated in a World Bank Group (WBG) rapid survey of IPAs efforts in facing the Covid-19 pandemic. A total of 162 IPAs from around the world participated in this WBG survey which was conducted during the period April 1-10, 2020. The results of the survey were published on the WBG website in April 2020. KDIPA also participated in a survey conducted by the World Association for Investment Promotion Agencies (WAIPA) for all its members in April 2020. The survey measured the effects of the Covid-19 pandemic on direct investment inflows, the pandemic's impact on business sectors, the most important challenges that faced IPAs, and the types of support offered to their investors. The survey results were published on WAIPA's website. In terms of other media activities, KDIPA coordinated internal efforts to collect and prepare the needed information to fulfil the requirements for applying to the "First Annual Competition for Strengthening IPA Advocacy

Services", launched jointly by WAIPA and the WBG to recognize the IPAs that implemented the most effective advocacy services leading to actual reforms. KDIPA submitted its application on March 31, 2021, which was the assigned deadline for the competition. The results of the competition will be announced during WAIPA 25th World Investment Conference to be held as hybrid model in Abu Dhabi, UAE, during the period October 19-20, 2021.

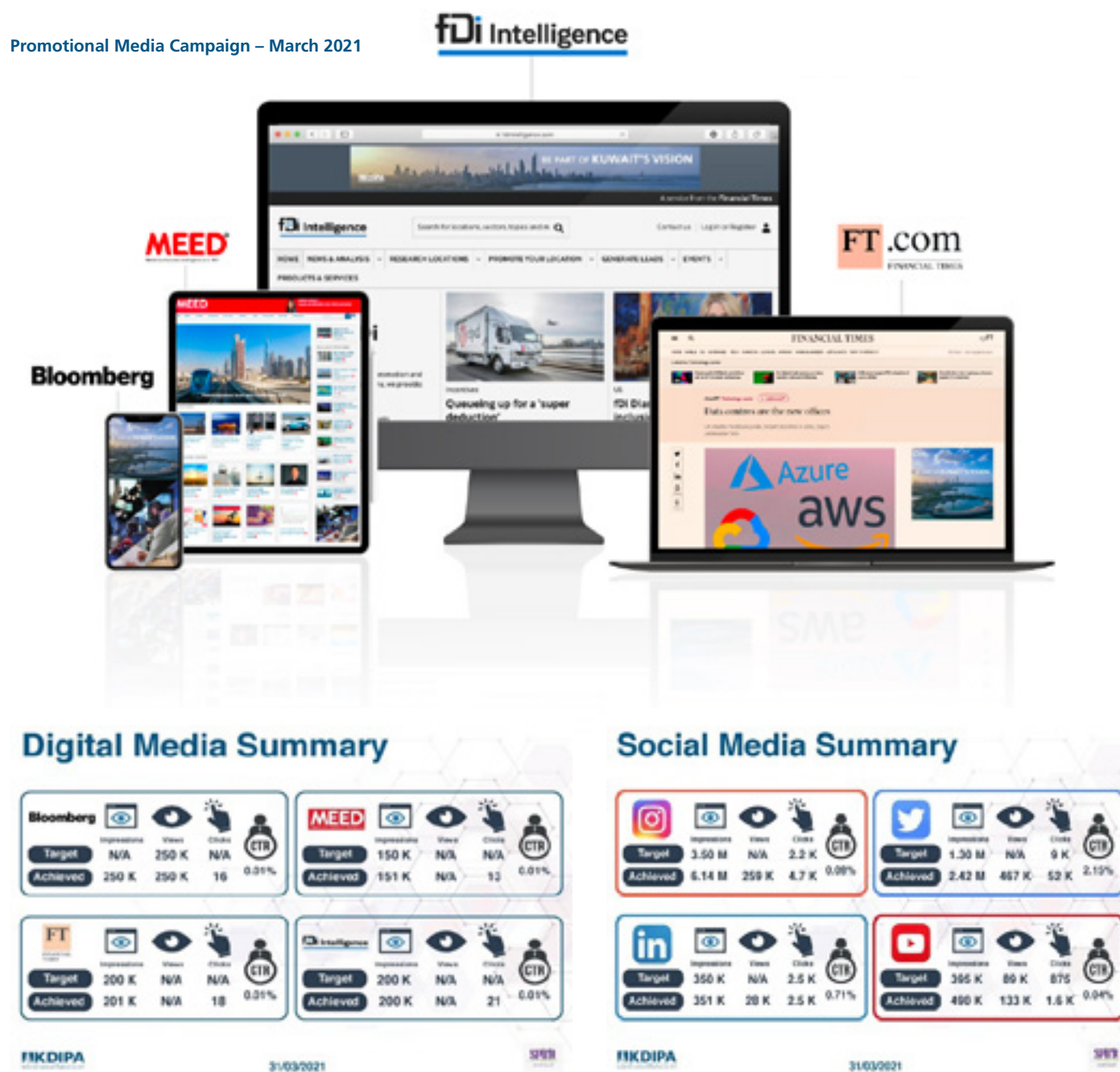
On another hand, KDIPA cooperated with the Ministry of Information to prepare the material that related to KDIPA to be part of the publications and the promotional video on Kuwait to be presented in Expo2020 Dubai, which will be launched October 1, 2021, till March 31, 2022. KDIPA will also open a booth within the Kuwait Pavilion located in the Sustainability District in the Expo2020 Dubai, with other governmental entities, along with the private sector, and the civil society organizations. The theme will be "An ambitious gateway to the future" focusing on New Kuwait, sustainable investment opportunities, achieving a secure and prosperous future for Kuwait's economy, environment, cities, and people.

In terms of the new promotional branding and media campaigns, KDIPA completed the design of the new promotional branding (Be Part of Kuwait's Vision) to be used in all its publications, presentations, website, and social media channels. The new logo will replace the previous one (Kuwait Discover the Opportunity), which have been used during the last five years.

In the same context, the primary promotional video for the new promotional branding (Be Part of Kuwait's Vision) was completed, in addition to other 5 short videos covering the energy, ICT, infrastructure, health, and the financial sectors.

To launch the accompanying media campaign for the new promotional branding, KDIPA contracted the Spirit Media company, which won the well-known Emmy Awards for its promotional digital media campaigns focusing on renowned websites for recognized media groups, smart phone applications, and social media channels. At the conclusion of the campaign the results matched or surpassed the expectations, as seen in the table.

Promotional Media Campaign – March 2021



In terms of designing promotional materials and publications, KDIPA Fifth Annual Report 2019/2020 was designed and printed, in addition to a set of new designs for new ad to accompany the promotional campaign of KDIPA for the new promotional branding. KDIPA also designed and published a fast-ing calendar for the holy month of Ramadan 2020 for KDIPA's employees and a digital version for its followers on KDIPA social media platforms to be uploaded using a barcode. The introductory brochure (Invest in Kuwait) was updated in both Arabic and English languages, and the new promotional branding logo replaced the old one. Several videos were

produced including a video on Kuwait efforts in combating coronavirus (Covid-19), an introductory video on KDIPA Investor Portal for smart phones, a video showing the achievements of KDIPA employees, and a video on various concepts for a Kuwait Investment Outreach KIO Digital Series 2021.

10. Website

During the report period, KDIPA continued updating its website according to new developments especially with regards to the coronavirus (Covid-19) pandemic updates page which contained both KDIPA and the government of Kuwait's measures and position

on the pandemic, KDIPA news, tenders announcements, new laws and decisions, data and statistics, listed companies and offices, among others.

In January 2021, a new Investor Portal was launched to serve investors on KDIPA's website, where it was linked with the internal Electronic Content Management System (ECM) to facilitate the process of dealing with license requests from investors by the employees of KDIPA's One Stop Shop Department.

11. Social Media

KDIPA continued to develop its own social media channels content to raise awareness and showcase Kuwait as a lucrative investment location, streaming economic, regulatory, and legislative updates relating to Kuwait’s investment climate and potential investment opportunities, the mandated role

and tasks of KDIPA, and the types of incentives and guarantees granted. The number of KDIPA followers on its social media sites increased, and expanding coverage in the Gulf region and internationally, focusing on new potential investors.

During the report period, KDIPA launched several introductory and digital promotional campaigns which were utilized to broadcast successive awareness messages on its social media platforms, it covered the following topics:

No.	Date	Meeting
1	Public awareness about the pandemic	Disseminating information, news, and support measures of Kuwait’s effort in combating the coronavirus pandemic and contributing to the dissemination of the official website for the pandemic corona.e.gov.kw and recognizing the heroic efforts of the front-line people
2	Kuwait economic situation	Keeping inventory of the news on the economic situation in Kuwait, the sovereign classification, the National Vision 2035, publishing statistics and information contained in economic reports issued by international and regional organizations, updates on Kuwait position in international indices (the Corruption Perceptions Index 2020, the Economic Freedom Index 2021, and the Environment Performance Index 2020), and recognizing the governmental or private entities or individuals obtaining global or regional awards for excelling in scientific achievements.
3	KDIPA’s Activities	Publishing the news of the meetings of KDIPA Board of Directors, meetings of KDIPA Director General, with senior dignitaries and investment delegations, and KDIPA’s participation in activities aimed at strengthening cooperation in the field of encouraging direct investment in Kuwait and introducing KDIPA’s role in providing services and facilitation for investor to establish their businesses in the dynamic Kuwaiti market and communicating with them by e-mail.
4	New promotional branding logo	Launching a digital promotional campaign on social media to introduce the new logo under the title (Be part of Kuwait’s Vision) tarting intermittently since August 2020 ,6, then full-fledged during the period February 2021 ,24-7.
5	Bilateral agreements	Publishing bilateral agreements, bilateral committees, and councils in which KDIPA entered as a party within the MoUs signed between the two parties.

6	KDIPA partners (investors)	Publishing news of the activities of the licensed investment entities by KDIPA and contributing to disseminate their job opportunities announcements for hiring the national labor at various administrative and managerial levels.
7	KDIPA partners (Government entities)	Producing a series of videos of KDIPA’s partners amongst the competent government entities, to present their offered services, latest projects, investment opportunities, and show the nature of their work, and areas of cooperation with KDIPA.
8	KDIPA partners Success Stories (investors)	Producing a series of videos for KDIPA partners amongst the licensed investment entities by KDIPA, to present their offered services, latest projects, investment opportunities, show the training programs and jobs provided to national labor, and areas of cooperation with KDIPA.
9	KDIPA partners (accredited companies and offices)	Placing announcements about opening the door to receiving applications from consulting companies and offices to submit applications on behalf of the investors, for KDIPA’s approval and placing their names in the accredited list on KDIPA’s website.
10	Fifth Annual Report	Presenting the Fifth Annual Report to His Highness the Emir of Kuwait, His Highness the Crown Prince, and His Highness the Prime Minister on November 2020 ,4; then publishing excerpts from KDIPA’s Fifth Annual Report chapters on November 2020 ,5.
11	Campaign (Meet Team KDIPA)	Continuing producing a series of videos for KDIPA’s social media platforms, by filming interviews with the department directors and heads of sections at KDIPA to inform and educate the public regarding the nature of their work and introducing the various administrative units in KDIPA in a way that supports and encourages investment in Kuwait.
12	Campaign (Employee Recognition)	Producing a series of videos for KDIPA’s employees, one employee is selected from each division on quarterly basis, highlighting his/her achievements during their tenure at KDIPA, with the aim of spreading awareness and introducing all members of KDIPA team in a manner that inspires and supports confidence in KDIPA and encourage investment in Kuwait.
13	Announcements	Publishing announcements for various religious, national, festive occasions and job advertisements in KDIPA, including the official mourning period with the passing of the Emir of the State of Kuwait His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, May God Rest his soul, and the procedures and measures of the pandemic, as well as designing and publishing a digital fasting calendar for the holy month of Ramadan 2020 for the KDIPA’s employees and followers on its social media platforms.

KDIPA during the report period, renewed for the third consecutive year its agreements with the LinkedIn company, owned by Microsoft, to strengthen KDIPA’s benefits from the networks of various groups offered by LinkedIn in the professional circles, as a promising entry point to the business community and jobs interactions.

The number of followers of KDIPA social media channels increased.

KDIPA completed the design of the portal and application for its (Investor Portal), and obtained the need license to issue it in various App sites. An introductory video was produced to explain how to use it, and to be streamed through various social media platforms.



12. Public Relations

During the report period, KDIPA strengthened its activity in regards to Public Relations to improve communication channels Internally and regulating external interaction with visiting personalities and official delegations as well as coordinating the Director General interviews with various media groups.

In terms of confronting the pandemic, KDIPA implemented (Emergency Communications Plan) which was based on the following topics:

• **Supporting public awareness:** Disseminating key messages on KDIPA’s social media channels regarding national developments and measures undertaken by the government with priority consideration to the humanitarian side of this pandemic, highlighting measures undertaken in line with the initial economic support provided during this crisis, highlighting Kuwait’s economic stimulus package, and spreading the official website on the pandemic, as well as announcing the stages of the gradual return to normal life.

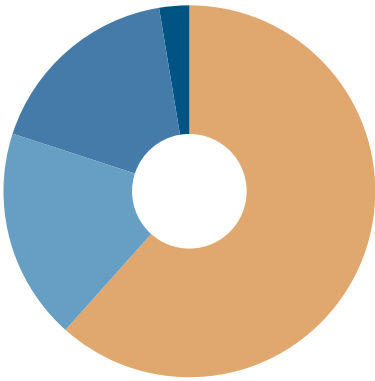
• **Displaying KDIPA’s efforts:** Providing direct coverage to highlight KDIPA’s role, as one of the economic implementing arms of the government in dealing with the crisis, and showing its ongoing initiatives during the pandemic, and highlighting the available opportunities.

• **Communicating with investors:** Highlighting means of contacting KDIPA’s (Investors Service Centre), to ensure providing facilitation and aftercare services for the existing and potential investors during the pandemic period, delivering the needed information, and highlighting the support provided by KDIPA for the licensed investment entities according to Law No. 116 of 2013.

• **Engaging employee:** Stimulating the engagement of KDIPA’s employees to assume a more proactive role in providing content and communications materials, as well as to encourage them to benefit from the training and capacity building initiatives made accessible virtually during this critical period of the pandemic.

• **Working guide:** Preparing (Team KDIPA Safe Return to Work Plan & Guidelines) on August 16, 2020, based on guidelines and measures received from the concerned health authorities in the country regarding the safety of employees and occupational work procedures. The Guidelines were later updated according to emerging developments.

In terms of preparing news and publishing circulars, 142 daily news bulletins were prepared based on excerpts published in various newspapers and websites on the Kuwaiti economy, and the trends relating to investment locally, regionally and internationally, then they were circulated electronically to KDIPA’s employees; 42 news items about KDIPA’s activities were published on KDIPA’s website; 40 internal circulars regarding administrative matters, measures and requirements for the gradual safe return to normal life were sent electronically to all KDIPA’s employees; and 6 circulars were issued regarding social and cultural activities and offers for KDIPA’s employees, as indicated in the table.



- 142 Daily e-News Bulletin
- 42 News on Website
- 40 Internal Administrative e-circulars
- 6 Social & Offers Circulars

In terms of organizing social and cultural events for KDIPA’s employees: Several activities were implemented with the aim of raising health awareness in light of the pandemic and maintaining internal communication between employees while maintaining team participation despite lockdowns, social distancing, calling for adopting a balanced approach between working on-site and remotely (work from home).

In terms of updating iKDIPA: Updating of KDIPA’s Internal website (iKDIPA) was completed and images were designed for the various pages and address lists, while ensuring coordination with the concerned administrative units to provide content for their affiliated pages, and cooperate with KDIPA Information Systems Centre to upload it. Virtual Map Tours were also successfully uploaded on iKDIPA.





KDIPA receives the Ambassador
of the French Republic



KDIPA signs MOU with Public Authority
for Civil Information



KDIPA participates in the First Session
of the Kuwaiti-New Zealand Joint
Committee



KDIPA receives a delegation from the
European Union



KDIPA receives the Ambassador of Japan



KDIPA receives a delegation from
the European Union



KDIPA participates in the 2nd Round of Consultations between the State of Kuwait's Ministry of Foreign Affairs and the Federative Republic of Brazil



KDIPA receives the Ambassador of The Sultanate of Oman



KDIPA receives the Ambassador of the United States of America



KDIPA and U.S. Chamber Co-organizes a Webinar for American Companies



KDIPA participated in the Arab-British Economic Webinar



KDIPA receives the Ambassador of Austria



CHAPTER FIVE

Streamlining Business Environment & Enhancing Competitiveness

RESILIENCE IN THE FACE OF THE PANDEMIC

During the report period, and in the face of the unprecedented outbreak of coronavirus (Covid-19) pandemic which spread globally and locally, KDIPA continued to strengthen its advocacy role in streamlining business environment, and enhancing Kuwait competitiveness and position in international indices, in coordination with competent stakeholders, especially in combatting the pandemic and its repercussions in the Kuwaiti economy.

During the report period, KDIPA, followed up in accordance with its mandated tasks, its advocacy role to streamline the business environment in Kuwait, as well as enhancing Kuwait competitiveness, and monitoring developments in its position in the relevant international indices, as presented in the upcoming paragraphs.

Based on Council of Ministers decision taken on August 24, 2020, KDIPA Director General Sheikh Dr. Meshaal Jaber Al Ahmad Al Sabah, headed the Economic Reform Team, with membership of the Ministry of Finance (MoF), Central Bank of Kuwait (CBK), Kuwait Investment Authority (KIA), the Supreme Council for Planning and Development (SCPD), Kuwait Chamber of Commerce and Industry (KCCI), and Kuwait Economic Society (KES). The team was assigned the tasks to diagnose the emerging developments resulting from the repercussions of the spread of the coronavirus (Covid-19), the adverse impact of declining oil prices on the fiscal revenues of the State, review proposed plans and measures to tackle the imbalances in the national economy, prepare a financial and economic reform proposal that focuses on combating corruption, rationalizing the wasteful government spending, addressing economic imbalances, and mobilizing economic diversification. The Economic Reform Team held 12 technical meetings to produce the required proposal document. H.H. the Prime Minister met with the Economic Reform Team on October 28, 2020, along with other teams formed during this critical period, and listened to the Team presentation that highlighted the efforts carried out to achieve the assigned tasks, in coordination with all competent entities within the public and private sectors. The Economic Reform Team completed its assigned task and submitted the reform proposal document to H.H. the Prime Minister on December 24, 2020, who commended their efforts, and reiterated the top priority placed by the government on improving the business environment, in cooperation with the private sector to attain the aspired

economic and fiscal reforms, given the emerging difficult health and economic conditions transpired by the spread of the pandemic, locally and globally. On the other hand, KDIPA, represented by its Director General, participated in the meeting with the Economic Affairs Committee of the Council of Ministers, held on March 21, 2021, to discuss the presentation provided by the Ministry of Finance on the proposed document for the National Program for Economic and Fiscal Sustainability.

1. Streamlining business environment Activities

KDIPA, as head of the Permanent Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK) established according to the Council of Ministers Decision No. 1551 of 2013 and subsequent relevant decisions, continued to follow-up coordinating efforts with other competent government authorities to accomplish the National Agenda for Streamlining Business Environment in the State of Kuwait (Tahseen Program).

Due to the pandemic emergency situation, KDIPA carried out most of the communications virtually with the members of the PCK, and the Components Work Teams established by the members of PCK to be in charge of the respective component of the Ease of Doing Business Index, issued by the World Bank Group.

1.1 PCK Affairs

As a result of the pandemic, the Permanent Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK) held its meeting virtually on February 9, 2021, during which the updated progress of the reform efforts and enhancing Kuwait competitiveness in the international indices were discussed.

In fulfilling the requirements of KDIPA's assignment to head the PCK, KDIPA prepared and duly submitted the 13th and 14th PCK

Periodic Reports to the Council of Ministers on July 1, 2020, and February 9, 2021, respectively.

KDIPA Director General, Head of PCK, attended two meetings with the Economic Affairs Committee of the Council of Ministers. The first was held virtually on August 16, 2020, whereby he provided a presentation covering PCK activities, the progress of the reform agenda implemented by the Components work Teams relating to the Ease of Doing business Index, as well as highlighting the next steps to resume the reform under the (Tahseen Program). The second meeting was held on March 21, 2021, to present the latest developments pertaining to the Doing Business Report published by the World Bank Group.

1.2 Technical Support Activities

KDIPA carried out its advocacy role in coordinating national efforts for streamlining business environment in Kuwait in cooperation with the Component Work Teams in charge of the respective component of the Ease of Doing Business Index, the executed activities in their chronological order are:

- **Supporting capacity building of the Component Work Teams:** KDIPA was keen to support the capacity building of the Components Work Teams established by the members of PCK to be in charge of the respective component of the Ease of Doing Business Index by supporting the initiative of a number of the Component Work Teams (CWT) to raise awareness on the reforms they implemented by publishing and disseminating the progress through various social media and traditional channels, as well as conducting introductory sessions on executed reforms, of which:

- The CWT for Getting Electricity, from the Ministry of Water and Electricity (MEW), organized in October 2020 an orientation workshop for the Engineering firms to show the available electronic services, and the new easier procedures adopted to obtain the electricity connection.

- The CWT for Enforcing Contracts, held an introductory meeting with the head of the Plenary Court to provide a detailed overview of PCK, its tasks, the Doing Business Report and the components of the index, the methodology adopted in preparing this Report and the assumptions of the unified case to measure and compare the performance of all the countries covered by the index, as well as the main reforms carried by the CWT for Enforcing Contracts under the national reform agenda (Tahseen Program).

- CWT for Starting a Business: met with H.E. the Minister of Commerce and Industry on November 29, 2020, to present and explain the index and the role of the CWT for Starting a Business in the ongoing reform agenda.

- **Building synergies amongst CWTs:** Another notable initiative carried out for the CWTs was supporting their initiative to organize a series of meetings to improve synergies and coordination amongst them to better act on the needed procedures to expedite the reform process of the business environment, of which:

- CWT for Trading Across Borders, from the General Administration of Customs, held a virtual coordinating meeting with the Public Authority for Industry (PAI) on April 21, 2020, to discuss the e-link between both entities, adopting e-signature, preparing the needed customs circulars to activate the electronic customs clearance by PAI, as well as cancelling the manual stamps for the customs clearance subject to PAI approval.

- CWT for Starting a Business held a meeting with the representatives of the Public Authority for Manpower (PAM) on November 30, 2020, to discuss the reforms that will be executed in obtaining the needed approval by PAM to the labor assessment needs for procedures relating to starting a business.

- CWT for Enforcing Contracts held several virtual meetings with the assigned work team to prepare the executive regulations for Law No. (9) of 2020, regarding the amendment of some provisions of Decree Law No. (38) of 1980 regarding the issuance of the civ-

il and commercial proceedings (electronic announcement). The meetings took place during the period December 1-2, 2020, and focused on discussions covering the latest developments relating to the said executive regulations.

- CWT for contracting with the government held a meeting on December 10, 2020 to identify and discuss future reform measures.

1.3 Tahseen Program

KDIPA proceeded to cooperate and coordinate with the heads of the CWTs to update the National Agenda for Streamlining Business Environment in the State of Kuwait (Tahseen Program) to reflect the achieved measures and the efforts exerted in this regard. KDIPA communicated with them as well to show them the updates carried out on the (Tahseen Dashboard). In this regard, KDIPA team provided the needed training for the new CWT members on the mechanism to enter the business environment reforms in the (Tahseen Dashboard) and how to monitor, detect, and document these reforms. KDIPA team also updated the (Tahseen Program) website, which is hosted on KDIPA website, and developed a new logo design for (Tahseen), as well as preparing a model branded presentation to use by the CWTs for displaying their reforms in a unified consistent manner.

2. Enhancing Competitiveness

During the report period, KDIPA completed the implementation of the third (final) phase of its Project Study on "Improving Kuwait Global Competitiveness: Engine of transformation to Knowledge and Innovation-based Economy", conducted in cooperation with the Kuwait Institute for Scientific Research (KISR), the project consultant. An interactive virtual workshop joining KDIPA and KISR teams was held on September 27, 2020, to present and discuss the graphical user-interface of the updated and documented database, that was transferred and installed at KDIPA on October 25, 2020 to be used as the focal platform for improving Kuwait competitiveness.

As a result of the repercussions of the coro-

navirus (Covid-19) pandemic on the work progress, and upon approval of the oversight authorities, KISR requested to delay the submission of the final project by two months (from September to November 2020), with no extra charges on KDIPA, as well as adding a paragraph on the potential impact of the pandemic on the project deliverables and its recommendations. Prior to that, KISR amended the relevant parts in the study to accommodate the major changes in adjusting the methodology of the Global Competitiveness Index by the World Economic Forum (WEF).

The final report on the revised implementable innovation roadmap for improving Kuwait's global competitiveness path (TAZIZ Program) was delivered under the project study on "Improving Kuwait Global Competitiveness" early December 2020. KISR followed that by organizing virtually the last interactive workshop on December 22, 2020. In this workshop the overall value added of the project and the exclusive deliverables were presented, especially the exclusive (TAZIZ Program), which is developed to provide a roadmap and an implementable national agenda for improving Kuwait competitiveness, after being amended to cater for the emerging developments as kdipa requested, in addition to designing a (Unified Database Platform), with time series database for the selected indices and cross section database for the sectors and the foreign direct investment flows, a dashboard for follow-up and monitoring, a comparative study on best practices, design and conduct the first innovation enterprise survey in Kuwait, on both the supply and the demand sides, in collaboration with the Central Statistical Bureau (CSB), and performing analysis for benchmarking the national innovation system (NIS) in Kuwait, in cooperation with a renowned international innovation expert.

Because of the significance of the project outcome at the national developmental planning level, and given the value added of the project, the members of the Permanent Committee for Streamlining Business Environment and Enhancing Competitiveness in the State of Kuwait (PCK) reiterated their approval to transfer and settle the project deliverables

to the General Secretariat of the Supreme Council for planning and Development (GSS-CPD) during the PCK meeting held on February 9, 2021. KDIPA took needed steps to ensure the project deliverables are diligently transferred to the GSSCPD, and that these deliverables and the accompanying national agenda for improving Kuwait competitiveness (Taziz Program), would be incorporated within the goals and programs of the upcoming development plan.

It should be noted that KDIPA requested from the GSSCPD to include this national project in the Second Medium-term Development Plan (2015 / 2016-2019 / 2020), which was concluded, under the Prominent International Position Pillar, within the program of enhancing Kuwait image internationally, serving the policies relating to attain diversification of the national revenue sources, strengthening efforts to attract foreign direct investments (FDI), and fostering public private partnerships, all leading to achieve the aspired developmental impact.





KDIPA organize the fourth annual meeting video conference to discuss Kuwait reforms in upcoming DB2021



Meeting of the Permanent Committee for Streamlining Business Environment & Enhancing Competitiveness



KDIPA organize the fourth annual meeting video conference to discuss Kuwait reforms in upcoming DB2021



KDIPA organize the fourth annual meeting video conference to discuss Kuwait reforms in upcoming DB2021



KDIPA organize the fourth annual meeting video conference to discuss Kuwait reforms in upcoming DB2021



KDIPA organize the fourth annual meeting video conference to discuss Kuwait reforms in upcoming DB2021



CHAPTER SIX

Supporting Activities

RESILIENCE IN THE FACE OF THE PANDEMIC

During the report period, and in the face of the unprecedented outbreak of coronavirus (Covid-19) pandemic which spread globally and locally, KDIPA continued to implement the financial and administrative measures in accordance with the government decisions and circulars in face of the pandemic; KDIPA also resumed executing its supporting activities, including completing its first strategy projects and starting to prepare for the interim strategy, availing training opportunities virtually, maintaining the quality management, accelerating the digital transformation processes, as well as adhering to the Civil Service Commission circulars that catered for organizing work conditions during the pandemic.

Renewing the certification of ISO 9001:2015 and 10002:2018

A total of 106 employees benefited from the training programs.

1. KDIPA’s First Strategy

1.1 Achievement of KDIPA’s First Strategy (2017-2021)

KDIPA’s first strategic action plan (2017-2021) was completed on 31/03/2021. The strategy was introduced five years ago and approved by the Board of Directors. It was developed organically and internally utilizing KDIPA’s own resources. This was performed by the participation and inclusion of all administrative and technical levels as per the function and mandate of KDIPA’s establishment stipulated in law No. 116 of 2013 and Council of Ministers decrees. The strategy was also designed in alignment with the objectives and pillars of Kuwait’s Vision 2035 (New Kuwait), the 2030 Sustainable Development Goals and guided by the principles of the Investment Policy Framework for Sustainable Development and the UNCTAD International Investment Instruments: A Compendium.

The preparation period of the annual report witnessed tumultuous and intense activity for the strategy coordinator, despite the repercussions of the Covid-19 Pandemic. Two reports were prepared and follow ups on the progress of the strategy’s action plan, which are the 9th report (2/02/2020 – 17/12/2020), and the 10th report (21/12/2020 – 28/03/2021). Communication with the projects point of contacts (POCs) was ongoing to keep track of the developments of the projects and simultaneously coordination with the IT department to reflect the developments and implementation of the strategic projects on the intranet’s dashboard iKDIPA. Furthermore, KDIPA’s strategy team participated in 37 webinars related to their scope of work. By the end of March 2021, project achievement for the KDIPA’s first strategy both completed and ongoing, reached 77% and the number of completed projects was 13 whereas ongoing projects were 15. One project was canceled due to a commissioning difference, and one projects was archived due to an updated alternative.

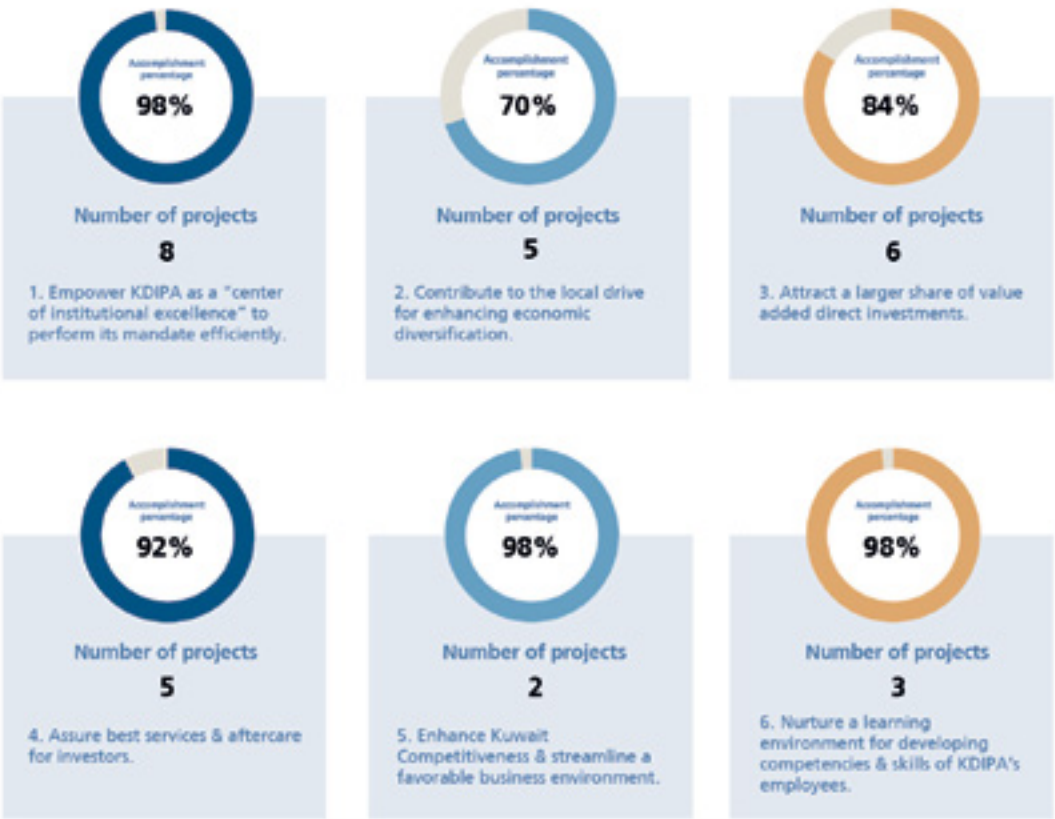
A questionnaire was prepared for distribution during the beginning of April 2021 amongst the POCs and Project Leaders of the first KDI-PA strategy to gather feedback on their experience in implementing strategic projects, achieving their KPIs and other observations they may have. The results from the questionnaire will be captured in a final report for the upper management at the end of April 2021.

Figure 9 - The following figure (number 9) shows the matrix of factors that distinguished KDIPA’s First Strategy

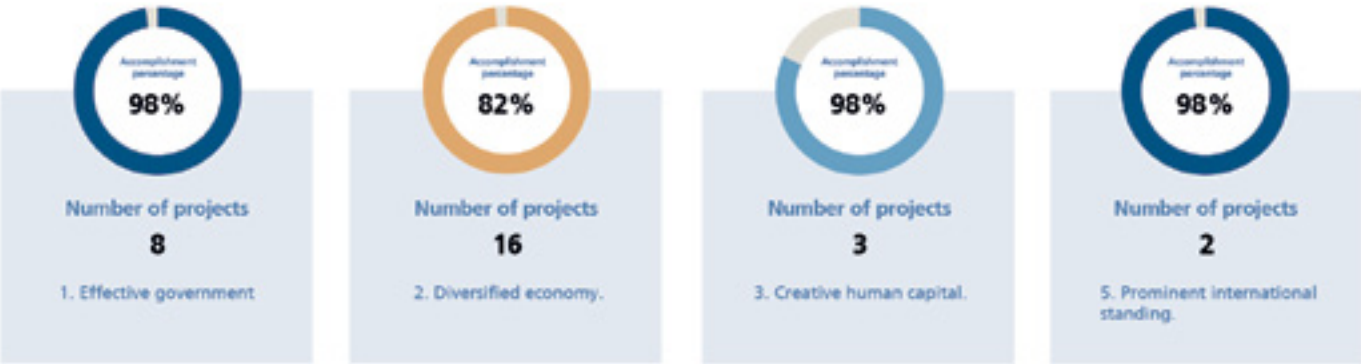
	Comprehensive scope of pillars	Team composition	Methodology of work
Upper leadership guidance and support	Coordination with the General Secretariat of the Supreme Council for Planning and Development	Knowledge enhancement Capacity Building	Establishing a culture of learning Regular Follow-up

Graphic number 15 showing the distribution of the projects first strategic plan on the strategic directions of the Authority and the pillars of the national vision

Strategic Directions



New Kuwait Pillars



The completion of the projects related to KDIPA’s First Strategy represent key milestones that enhance and position KDIPA. These milestones include:

- Strengthening the management of quality systems and customer service through earning the ISO 9001:2015 and 10002:2018 certificates, with periodic follow-up and review of the accredited of the two certificates.
- Acceleration of the digital transformation by activating KDIPA’s cloud service and creating an electronic content system (ECM), an electronic messaging system, and an electronic character.
- Improving the customer service model by reducing the approval period on the initial request, enhancing continued care services for licensed investment entities, and developing mechanism for receiving and dealing with complaints and proposals.

- Measuring the economic impact of the licensed investment entities that started operating their business by building a time series (2015-2018) through which the cost- benefit analysis was shown, and the first specialized report was issued.
- The improvement of Kuwait’s rank in the World Bank’s Ease of Doing Business Index 2020 where Kuwait entered in the list of the most improved countries because of entering the list of the most improved countries because of implementing the National Agenda for Streamlining Business Environment in Kuwait (Tahseen Program).

- Accomplishment of the study on “Enhancing Kuwait’s Competitiveness in International Indices – Leveraging Shift into Knowledge economy & Innovation Based Development Path”, with Kuwait Institute for Scientific Research (KISR).
- Completion of the final design phase of the infrastructure for the Al-Abdali Special Economic Zone and working on defining implementation options.

- The increase in number of followers on KDIPA’s social media platforms and the launch of an integrated campaign and a training on LinkedIn.

- Strengthening KDIPA’s relationship with the media, especially the international ones.
- Raising the percentage of implementation of approved training programs and measuring the effectiveness of training programs on the performance of KDIPA’s employees.

- Creating a new intranet page to communicate all information to employees (iKDIPA).
- Building a cooperation network with Department for Legal Advice and Legislation to follow up on the judicial cases related to KDIPA, and the inclusion of a username in the electronic justice portal to follow up on cases.

1.2 Preparation for the Second KDIPA Strategy

The Terms of Reference for KDIPA’s second strategy (2021/2022 – 2025/2026) has been completed and is ready for bidding. The TOR was based on the accomplishment of the first strategy’s (2016/2017 – 2020/2021) framework and it was developed in accordance with the recommendations of the Investment Roadmap document which was a technical support project with the World Bank Group. The TOR was also developed in alignment with Kuwait’s Vision 2035 (New Kuwait) and the Sustainable Development Goal 2030. Finally, the TOR factored in the impacts of the Covid-19 Pandemic both globally and locally. The TOR was then presented to KDIPA’s leadership, and their comments and directions were captured as well as the comments of the Finance and Legal Departments. On February 18, 2021 the TOR was shared with the Department for Legal Advice and Legislation, Due to the delays and interruptions resulting from periods of lockdown during the pandemic, KDIPA opted for a contingency plan by developing a two-year interim strategy (2021-2023) to cover the duration and cycle of the bidding process for the Second Strat-

egy. The first report on the ISO key performance indicators was issued on September 10, 2020.

1.3 Investment Roadmap Project

A virtual meeting was held on April 5, 2020, was held between the KDIPA team and the World Bank’s Investment Roadmap team to discuss the first draft of the three technical notes: an overview note on institutional mapping, a technical note analyzing IPP Institutional Arrangements and a technical note analyzing the IPP Legal and Regulatory Framework. Following the meeting, KDIPA’s team shared their comments and observations with the World Bank team and an amended draft was sent by the World Bank to KDIPA on May 9, 2020. KDIPA also requested that the final report takes into account the impacts of Covid-19.

A virtual meeting was held on April 5, 2020, was held between the KDIPA team and the World Bank’s Investment Roadmap team to discuss the first draft of the three technical notes: an overview note on institutional mapping, a technical note analyzing IPP Institutional Arrangements and a technical note analyzing the IPP Legal and Regulatory Framework. Following the meeting, KDIPA’s team shared their comments and observations with the World Bank team and an amended draft was sent by the World Bank to KDIPA on May 9, 2020. KDIPA also requested that the final report takes into account the impacts of Covid-19.

The Investment Roadmap report consisted of a total of 32 priorities among its recommendations, to be implemented within the KDIPA through the improvement of the procedures and working methods, in addition to involving the relevant parties related to build mechanism networks of relations and estab-

lish coordination and work between them. This would improve Investment climate to attract an increasing share of value-added direct investment that contribute to the national efforts for economic diversification. These recommendations were categorized into priorities (high, medium, and low), different du-

urations(short, medium, and long term), and the concerned parties that KDIPA coordinates with (various stakeholders) as shown in the table.

Section	Classification of the roadmap investment recommendations			Total
Framework	13		19	32
Term	Short	Medium	Long	
	11	14	7	
Priority	Low	Medium	High	
	21	8	3	
Responsibility	13		19	

2. Follow-Up on KDIPA’s National Development Plan Projects

KDIPA periodically coordinates with the General Secretariate of the Supreme Council for Planning and Development (GS-SCPD) on updating the status of KDIPA related National Development Plan projects listed in the SCPD automated system. This includes data entry, completion of procedural information and budget modification according to the update as per the workflow on the projects.

An extension request was submitted through the automated system for the implementation period of the expansion of free zones in the State of Kuwait (Al-Nuwiseeb freezone) on April 2, 2020, for the project Enhancing Kuwait’s Competitiveness in International Indicators on October 7, 2020, and finally for the expansion project in the establishment and development of free zones. All extensions were related to the repercussions resulting from the Covid-19 Pandemic.

On the other hand, KDIPA participated virtually in a symposium organized on May 14, 2020, regarding the definition of the commu-

nication plan to spread awareness about the upcoming third medium- term development plan (2020/2021 – 2025/2026) and the tools used.

Finally, a KDIPA representative was nominated to follow up on the Government’s Program on June 12, 2020. The representative participated in a training workshop on the new automated system of the Government’s Program on August 12, 2020.

3. Development of KDIPA’s research capacity (market information)

During the reporting period, the authority continued its work in developing the research capacity to prepare the required content according to the needs of the work and proceeded to deal flexibly to adapt to the conditions imposed by the pandemic. A draft form has been developed to collect data and information from the various units and administrations in the Authority. At the level of specialized databases, resources of data and information has been bounded and a preliminary draft for the project of KDIPA’s Internal Information Unit was estab-

lished. Moreover, a mechanism of data and information collection system and analysis was constructed to benefit from the Authority’s resources. Especially considering the capabilities of achieving successful automated linkage with government organizations that provide official data and information to specialized organizations and creating a brief overview about official government websites that share the latest economic data available. A meeting was also held, on 8th November 2020, with the General Secretariat of the Supreme Council for Planning and Development regarding the data system map project in the State of Kuwait.

The Authority had developed several specialized reports depending on the demand and scope of operations. Some of these reports are, as follows:

- A report on Healthcare and Pharmaceuticals sector in Kuwait.
- A report on the proposed aspects of cooperation between the Environment Public Authority and the Direct Investment Promotion Authority regarding investment in the environmental sector in Kuwait.

- A summary brief report regarding targeted economic sectors, and the latest economic data associated.

- An Economic Newsletter submitted for approval by internal management to be published on KDIPA's internal website (ikdipa), in the purpose of being utilized by other departments in the authority and employees to efficiently perform within the provided reliable updated data and information based on direct investment around the globe, region, and in Kuwait specifically.

- A daily economic newsletter was also established, since 4th October 2020, and covers economic news that are vital and relevant to the Authority and is also to be published in the Authority's Internal website (ikidpa).

The Authority has established a survey (in English language) directed to licensed investors by the Authority to identify their needs, the difficulties, and challenges they have faced as investors during the covid-19 pandemic. As well as covering their outlook during this crisis, plans after recovery, and their prediction on how the pandemic might affect their current business and the local economy. Based on the data collected, a full report was established and sent to higher management for review. A presentation with full details on the outcomes of the survey and report was presented to the Authority's board in the purpose of providing tailored support and accessibilities to the investors allowing more ease and development in transactions with related organizations and entities. Moreover, the Authority contributed to listing the most important information related to the State of Kuwait in the "e-government survey 2020 - digital government in the work contract for sustainable development" (in both English and Arabic languages) which was essentially established by the Social and Economic department of the United Nations during the period from 18th April 2020 to 15th May 2020.

The Authority has representatives attending several workshops and seminars through visual communication technology (Webinars) organized by organizations specialized in the field of Investment promotion. Discussions regarding the host countries and investors coping with the drawbacks of the Covid-19 pandemic, and procedures on how to improve the process of attracting direct investment and the development of means of promotional policies to commensurate with the developments, strategies, and plans for after recovery from the pandemic. Other webinar symposiums attended, entitled "Challenges and Aspirations of the System Data in the State of Kuwait" and «The Treat Divide the Global Trend in Obtaining Vaccine Covid-19». Based on these Webinars and workshops, brief reports were created and shared with related units within the Authority to benefit from attained data and information.

4. Quality Management System

The authority continued to work on improving institutional performance to ensure a smooth flow of work in the performance of the tasks entrusted to it, which would raise the efficiency and effectiveness of the performance of administrative units, and limits the gaps or overlap in the framework of a dynamic organizational structure that defines the chain of command, coordination channels and division of work among workers according to the sectoral and functional organization matrix in proportion to the nature of work and the variables. During the report period KDIPA success to maintain and renewal certifications of Quality Management System Standard - ISO 9001:2015 and Handling Complaints and Customers Satisfaction Standard - ISO 10002:2018, despite the difficult circumstances all over Kuwait caused by Corona Virus (COV-

ID-19) after managing to conduct the internal and external audits needed. In another hand KDIPA received the report of "Committed to Excellence Award" from the European Foundation for Quality Management (EFQM) in 19 May 2020 where KDIPA achieved to award at the end of March 2020, that are valid for three years where KDIPA became the first Authority in State of Kuwait to achieve this award.

4.1 Quality Management Systems Standard - ISO 9001: 2015

In term of following up implementing the requirements of the international standards of Quality Management System Standard - ISO 9001:2015, KDIPA managed to conduct two internal audits in all over departments through using visual communications due to the pandemic first where through the period 1-21 July 2020 and the second was from 21 October 2021 - 18 November 2020. After each internal audit phase there was a "Management review meeting" with the top management conducted according to the requirements of the ISO standard.

Four new procedures were detected and approved according to the quality system in addition to amended procedures where the document (release/ amend document) by the standard been updated and all its procedures were aligned with the internal adjustments all over the authority, where then the "Quality Management System Manual" been updated with all approved amends and uploads the new versions in the internal web site iKDIPA. Therefore, the external audit was conducted successfully through visual communications with the Global Audit Corporation with the participation of the top management, and the external report was shared with all sectors to followed. Coordination was also made

with the Department of Information Systems Center in the authority to list all the forms used and to develop a unified classification for them (reference number, date of issue and version) and to upload them in the new electronic system for classifying the forms of the authority.



4.2 Handling Complaints and Customers Satisfaction Standard - ISO 10002: 2018

The "Handling Complaints and Customers Satisfaction" Standard is complete implemented aligned with the ISO standard 10002:2018 and its manual. Despite the difficult circumstances caused by Corona pandemic, KDIPA continue to resolve investor's complaints regarding the time frame through receiving investor's complaints and suggestions through surveys on website, telephone, emails, and any suitable methods consist with the health precautions.

4.3 Job descriptions

The study and identification of the required and necessary jobs for the implementation of the tasks and competencies related to the administrative units in the authority have been completed, and these competencies have been distributed to all job titles, in addition to finalizing the design of the approved job description booklet and preparing to print them.

5. Human Resources Development

5.1 Training plan

KDIPA continue to work on developing human resources in the fiscal year 2020/2021 according to the results of the yearly training requirements survey according to three main areas in an integrated manner (general theme, supervisory and specialized).

The training plan during the report period focused on searching for online courses due to the exceptional circumstances all over Kuwait and the world facing caused by the spread of pandemic, where KDIPA contacted many training entities (private, governmental, International Organizations, and professional associations) to inquire about online training courses provided to registration during periods of movement and travel bans and closures due to the pandemic. Several internal

circulars were sent to all employees to benefit of the online courses, and particularly on online participating in the comprehensive training plan in the development planning and Public Administration Organized by the General Secretariat of the Supreme Council for Planning and Development to sport the ability of governmental employees in development affairs. Because its online, Participants had to registered by themselves.

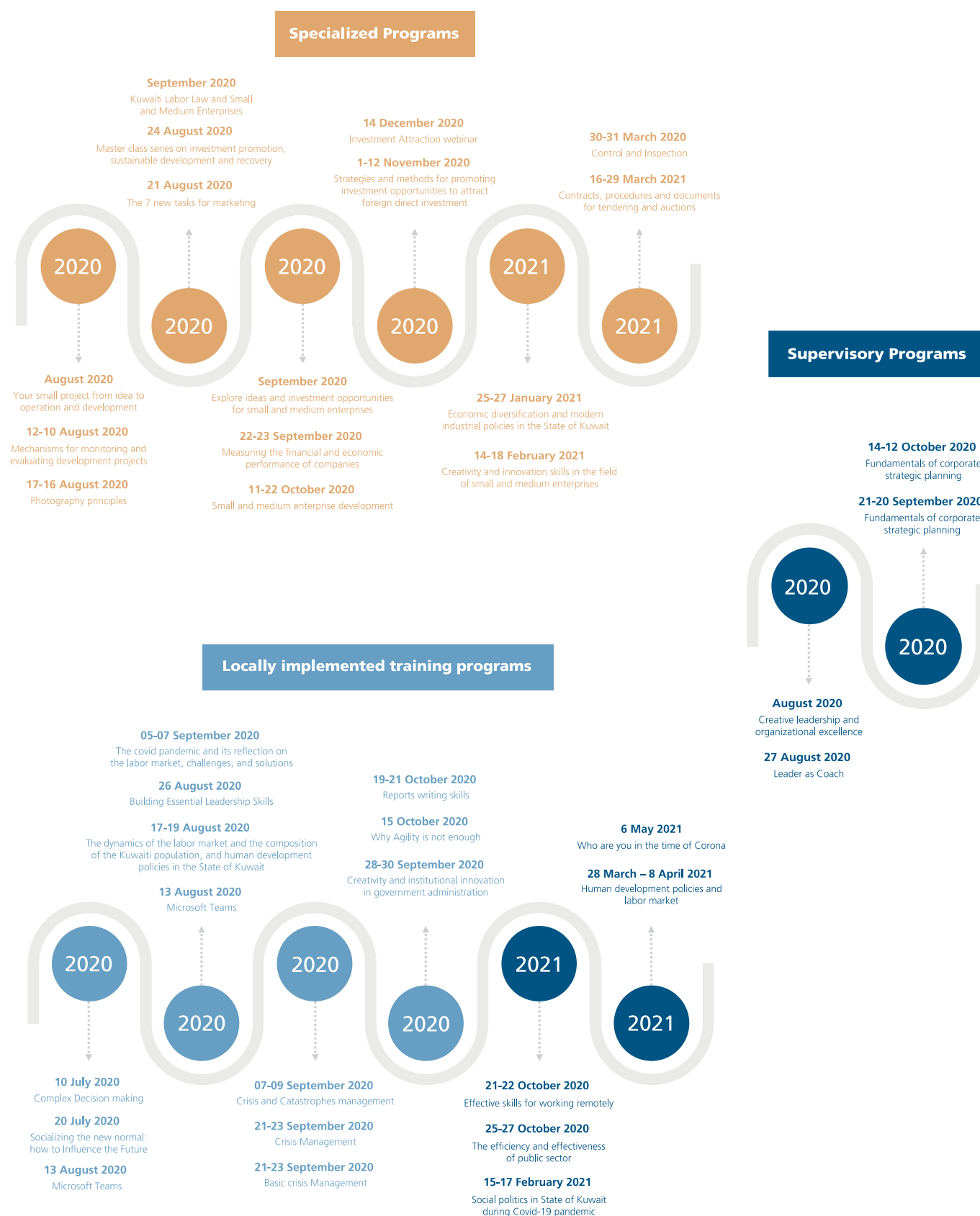
5.2 Training Plan Outcomes

During the report period KDIPA's training plan included 101 training programs, 37 Internal training programs conducted were distributed on 18 general programs, 4 supervisory programs and 15 specialized programs executed where 106 employees benefited at various levels, departments, and specializations.

5.3 Human resources development partners

Within the framework of the training plan for the fiscal year 2020/2021, authority has been dealt with many of government entities that provide training services ,such as : (Central Agency for Information Technology, General Secretariat of the Supreme Council for Planning and Development, Communication and IT Regulatory Authority), Civil Society Institutions (Kuwait Society of Engineers, Institute of Banking Studies, Abdulaziz Al Saqr Development Center), regional organizations (Arab Planning Institute). In addition to International Organizations KDIPA part of it as a member (World Association of Investment Promotion Authorities (WAIPA)), and private training agencies such as: General Electric Technology Center Company in Kuwait (GEKTC), (FDI CENTER), International Institute of Management (IMD).

Internal and External Training Programs



5.4 New Employees Qualification

KDIPA announced job opportunities for Kuwaitis during the period from 24 January 2021 to 07 February 2021. therefore, KDIPA cooperate with Gulf University for Science & Technology to conduct and monitor employment tests for eligible applicants who submit their application during KDIPA's employment announcements. The orientation program for new employees was canceled due to the exceptional circumstances because of the spread of the Corona pandemic.

5.5 Master Scholarships

KDIPA announced job opportunities for Kuwaitis during the period from 24 January 2021 to 07 February 2021. therefore, KDIPA cooperate with Gulf University for Science & Technology to conduct and monitor employment tests for eligible applicants who submit their application during KDIPA's employment announcements. The orientation program for new employees was canceled due to the exceptional circumstances because of the spread of the Corona pandemic.

5.6 Collaborative Activities

KDIPA contacted various of local training companies as well as international organizations to provide distance training programs through visual communications (online) to maintain the level of job performance considering this pandemic.

6. Legal Affairs:

KDIPA provided its legal feedback during the report period on all matters of a legal nature, suggested the required amendments and responded to the inquiries of the competent sectors regarding them.

KDIPA prepared documents and contracts, including the direct contract for renting government buildings to KDIPA, tenders such as the KDIPA's strategy tender, and the practices of the KDIPA's projects such as the promotional campaign in coordination with the Financial Affairs Department and reviewing it with the Department for Legal Advice and Legislation, following up on changes and participating in update their general and specific conditions. Meetings were held with the Department for Legal Advice and Legislation to discuss the legal arrangements with the World Bank Group.

Coordination was also made with the competent procurement sectors in KDIPA regarding the procedures for signing government contracts, reviewing, and following up the legality of contract projects in accordance with the applicable regulations. KDIPA participated in the meetings of the Procurement Committees, which discusses all issues related to procurement. In addition to providing legal statements to all administrative units of KDIPA and participating in committees and meetings to which the department is invited to provide legal statement. And follow up on the concluded cooperation mechanisms and the proposals related to the parties to conclude a cooperation mechanism with them.

On the other hand, KDIPA followed up on moving lawsuits and preparing defense notes in cases filed by and against the authority, according to which the authority maintains its rights towards third parties and third parties from government sectors, contracting individuals or any other parties, in coordination and cooperation with the Department for Legal Advice and Legislation. KDIPA followed up and attended expert sessions before the Experts Department.

The Legal Department was specialized in looking into the issues of grievance submitted by employees in accordance with the rules, laws, and regulations in force in KDIPA, and it also provided a legal statement regarding the inquiries received from the Off-set Department related to the application of the Offset Operations Program in accordance with the controls contained in the guide to the outlines of the Kuwaiti Offset Program No. (9-2007). An internal training program for "intermediate legal translation" was also benefited.

7. Information Systems:

The Authority has completed its plan in implementing its projects in various technological fields to enhance and develop KDIPA's systems and software with the highest standards to provide all the authority's sectors with the latest applications and devices through the Information Systems department to create a fluid and professional environment for all its the employees. Also, the authority re-implemented its information systems policies with the recommendations of the internal audit section and ISO standards.

In terms of software systems, the authority was able to upgrade the Enterprise Content Management system templates of the One Stop Shop department to ease the process of documents retrieval and allow testing the workflow of OSS and the HR department efficiently through the mobile app. In addition, the department developed a dashboard for supervising all the investment matters through the ECM system of the authority and maintaining it. Despite the Covid pandemic, the authority was not only able to integrate the Investor Portal to the mobile app but also added new payment methods to the system such as KNET and Credit Cards for the investors' convenience. Moreover, the authority has initiated the integration of electronic signature with PACI and launched the employee attendance features through the mobile app. The Information Systems depart-

ment launched an employee performance assessment on its beta phase and an internal archiving system for specialized for ingoing and outgoing memos related to the general manager's office. Finally, the employee portal iKDIPA was updated with new features and pages including guides and videos on how to use the authority's systems and apps, also guiding the investors through the portal, and booking appointments with the OSS department.

In terms of IT infrastructure, the authority provided personal laptops to 50 employees to facilitate their work remotely. Furthermore, the servers and backup solutions were upgraded to secure the data from any disaster that may lead to loss of data or obstruction of work. Lastly, KDIPA adapted with the pandemic through creating multiple work shifts through Microsoft teams to maintain the high availability and flow of work.

In terms of cyber security and disaster recovery, the authority continued setting up its disaster recovery plan to maintain and secure its data and workflow remotely according to the need for a digital mediator to overcome the pandemic, thus securing and maintaining the ease of data transfer between employees without any downtime. Additionally, a web filter was configured through the firewall system to control and secure any web access internally to avoid any malware or botnet attack with a monthly analysis report to understand the usage of all employees to adjust the system accordingly. The backup solutions also contributed to safeguarding all data from any sudden electricity shortage that may lead to corrupt or destroy them.

8. Financial Affairs

KDIPA continued implementing the financial affairs during the report according to the rules and circulars of the Ministry of finance, controlled spending in time of the pandemic and carried out activities that have been postponed in accordance with established regulations.

Tasks including the annual inventory of the personal covenant and preparing financial reports have been implemented and the preparation of the necessary accommodations for financial operations on a regular basis to pay the dues required to different suppliers and follow up on projects and expenditures on accounts in accordance with the budget implementation rules issued by the Ministry of finance. Also approving the procurement process of the authority's operations, completion of direct order contracts, tendering and renewal of numbers of service and technical support contracts, auditing warehouse forms and approving bank transfer forms. KDIPA issued 147 purchase orders during the report period and implemented 66 requests for purchase requisitions. KDIPA also collected fees through electronic stamp for its services, issued 172 stamps of administrative certificates as well as fees for the loss of magnetic cards, debts, and fees for issuing licenses for investment companies with a total of 32,948.612 KD and included it in the authority's revenues.

Cooperation was made with the representatives of the Ministry of finance and representatives of K-net to create a system that receives payments from companies through online payment using the Debit and credit cards.

Also, the preparation of quarterly reports, final account and explanatory forms for fiscal year 2019/2020 as 75.9% of the total budget appropriation amount of 9,420,000 KD has been spent. The authority has also completed preparing budget estimates for the fiscal year 2020/2021 in cooperation with all administrative units.

Completion of the payment of the project "Enhance the competitiveness of the State of Kuwait in international indicators: the locomotive of transformation to the knowledge economy and innovation to the project advisor Kuwait Institute for Scientific Research and the "Roadmap for investment in the State of Kuwait" project to the World Bank Group.

On the other hand, financial affairs committees acted on their respective mandates, including the Procurement Committee, which was tasked to study the various financial issues related to KDIPA operations, the Committee on Inventory Measurements, the Annual Inventory Committee, and the Committee for Estimates of Appropriations for fiscal year 2020/2021 in cooperation with representatives from the Ministry of Finance and the committee of the Final Account for the fiscal year 2019/2020.

9. Administrative Affairs

KDIPA ensure to apply all Civil Service Commission (CSC) decisions related to the pandemic in following all administrative matters and track employees' career path and developing means of communication with employees for this purpose.

In terms of work during the pandemic KDIPA has received and published the Civil Service Commission (CSC) circulars regarding extending the off-work period for all entities in country in circulars No. 10 of 2020 on 6 April 2020 regarding the disruption of work (as rest days) in all ministries and governmental entities (precautionary) because of Corona Virus (COVID-19), and what follows of circulars to extend the off-work period (as rest days) No. 11 of 2020 on 20 April 2020 and No. 12 of 2020 on 28 May 2020.

KDIPA ensure to continued following the Civil Service Commission (CSC) circular No. 13 of 2020 issued by on 1 June 2020 about the commitment of "the instruction manual of rules, policies and procedures of employees returning to work" in all governmental entities Prepared by the Civil Service Commission (CSC) and approved by the Council of Ministers, circular No. 14 of 2020 issued on 15 June 2020 about all governmental entities taking necessary procedures to implement "the instruction manual of rules, policies and procedures of employees returning to work" tell the next circular issued No. 15 of 2020 on 25 June 2020 to end the off-work period in all governmental entities starting on 30 June 2020 according to the decision of Council of Ministers No. 692 of 2020 issued on 25 May 2020.

KDIPA ensure to follow all decisions in circular No. 16 of 2020 issued on 29 June 2020 Concerning obligating governmental entities to form Committee of Following up and monitoring procedures of health restrictions Issued by the health authorities regarding anti-Corona Virus (COVID-19). The Council of Ministers decision issued regarding moving to the third stage of the gradual return to normal life starting from 28 July 2020, then follows the Council of Ministers decision to move to the fourth stage of the gradual return to normal life starting from 18 August 2020, which continued to the end of this report.

The Civil Service Commission (CSC) circular No. 26 of 2020 on 31 December 2020 issued Regarding the use of the approved form for the certificate of end of quarantine issued by the Ministry of Health. Then follows the circular No. 1 of 2021 issued on 04 February 2021 Regarding the imposition of disciplinary penalties on employees who violate health restrictions and preventive procedures to confront the spread of Corona virus. The circular No. 4 of 2021 issued on 23 February 2021 regarding that all governmental entities mustn't exceed their employee's attendance more than 30% in workplace.

In terms of employees' rights, KDIPA ensure to follow the Civil Service Commission (CSC) circular No. 21 of 2020 issued on 7 October 2020 regarding Occupying appointing in executive positions, supervisory positions, decisions of employees transferring delegations and secondments, and address the effects of this cessation, Which has been amended by the circular No. 27 of 2020 issued on 31 December 2020 regarding ending the Suspending appointing in executive position, Occupation of supervisory positions, but continuing to pause the decisions of employees transferring, delegations and secondments. More, KDIPA dealt with the circular No. 2 of 2020 issued on 15 February 2021 regarding the instruction in manual of governmental entities employees behavior to promote integrity. In terms of career level upgrade, KDIPA's has reviewed and checked all employee's data to identify the eligible employees of periodic bonuses and promotions by seniority and selection and preparing and implementing regarding decisions. KDIPA carry out what came in circular No. 23 of 2020 issued on 12 November 2020 regarding performance evaluation for the factor of calculating the sum of delays during the current evaluation year (2020).

In terms of administrative procedures, KDIPA issues attendance and leave statements upon request, issued new employment identities as well as salary detail and career progression certificates. KDIPA also issued several administrative decrees regarding delegations, financial rewards, and several types of special leaves.

In terms of automation, KDIPA continued to use and apply the G2G Government e-Messaging Program to all government entities. It monitored staff movement through the new automated system and the CSC Integrated Systems. Also, activated the ECM system to document and archive all types of manual documents electronically and use electronic signatures.

In terms of work teams and committees', several committees and work teams were formed upon the approval of the Technical Committee and in accordance with the implementation of the circulars and decisions of the Civil Service Commission (CSC), and few relevant government entities such as the Ministry of Finance to serve internal needs, as shown in the table:

Table No. (18) KDIPA's Work Teams and Committees during the fiscal year 2020/2021:

Work Team	Justification	Decision Number	Date
Work Team for reviewing up-scaling employees job status	Civil Service Commission	168/2020	22 April 2020
Work Team for the annual report 2019/2020	Internal needs	188/2020	07 June 2020
Work Team for reviewing up-scaling employees job status	Civil Service Commission	304/2020	06 October 2020
Work Team for the recruitment procedures	Internal needs	38/2021	24 January 2021
Work Team to receive applications for registration and approval of companies and consulting offices in the authority to submit applications on behalf of investors	Internal needs	47/2021	02 February 2021
Committee	Justification	Decision Number	Date
Purchasing Committee of Kuwait Direct Investment Authority	Ministry of Finance	167/2020	22 April 2020
Final Account of the Authority of fiscal year 2019/2020 committee	Ministry of Finance	186/2020	03 June 2020
Purchasing complaints committee	Ministry of Finance	191/2020	17 June 2020
A committee to coordinate, follow up and monitor the implementation of health procedures and requirements related to combating the emerging corona virus issued by the Minister of Health and the competent health authorities	Civil Service Commission	202/2020	08 July 2020
Advisory Committee for Electronic Amendments to Systems	Internal Needs	241/2020	12 July 2020
Examination and Statistics of Imported and Returned Materials for the Fiscal Year 2020/2021 Committee	Ministry of Finance	273/2020	18 August 2020
Committee for the follow-up and implementation of international agreements and internal cooperation mechanisms with government entities	Internal Needs	274/2020	18 August 2020
Committee to examine, study, follow-up and treat the observations that resulted from the results of the examination and review of the audit team of the Audit Bureau on the implementation of the budget and the final account of the authority for the fiscal year 2019/2020	Internal Needs	278/2020	19 August 2020

Budget Estimates of fiscal year 2020/2021 Committee	Ministry of Finance	296/2020	24 September 2020
A committee to coordinate, follow up and monitor the implementation of health procedures and requirements related to combating the emerging corona virus issued by the Minister of Health and the competent health authorities	Civil Service Commission	306/2020	06 October 2020
Committee to coordinate, follow up KDIPA's building construction (Phase Four)	Internal Needs	305/2020	06 October 2020
General annual inventory of fiscal year 2020/2021 Committee	Ministry of Finance	339/2020	12 November 2020
Inventory Committee of the personal covenant and the covenant of organizational units of the fiscal year 2020/2021	Ministry of Finance	348/2020	29 November 2020
Technical Committee for the management of materials out of the scope of use	Ministry of Finance	9/2021	07 January 2021
Committee for the follow-up and implementation of international agreements and internal cooperation mechanisms with government entities	Internal Needs	10/2021	07 January 2021
A committee to coordinate, follow up and monitor the implementation of health procedures and requirements related to combating the emerging corona virus issued by the Minister of Health and the competent health authorities	Civil Service Commission	31/2021	14 January 2021
A committee to evaluate technical bids for the Wafra Economic Zone project tender	Internal Needs	79/2021	15 March 2021

10. Internal Audit

During the report period the Internal Audit Section has carry out internal audit work of Financial and Administrative Sector, which includes reviewing the administrative decisions, memos, internal and external letters to ensure that its compliant with provisions, laws and regulations and meets work procedures, the Section has audit and reviewed the following procedures:

- Administrative decisions: reviewed the administrative decisions issued by the authority and ensure their conformity with the regulations, laws, decisions, and circulars.
- Promotion by selection: reviewing the administrative decisions regarding up grading promotions by selection and ensure that its meets' the decisions, regulations, and confirming that KDIPA applies these standards to all employees and ensured granting the eligible ones the grade specified in the list of grades available for promotion by selection within the budget for the fiscal year 2020/2021.
- Career Level Upgrade: the data table of all KDIPA's employees has been reviewed and checked to ensure that they have met the rules and regulations for career level upgrade, which had been established in accordance with the decisions of the Civil Service Council.
- Job descriptions: review and audit all decisions related to staff rotation to ensure that it met the job description.
- Financial Affairs: reviewed the financial affairs and ensured that all procedures met the regulations, laws, decisions, and circulars

related to expenditures forms, registration forms, and suppling forms, banks settlement memo's, accounting entry, payroll, suppliers' quotations to ensure they met the standards and auditing contracts with the related department.

- State Audit Bureau of Kuwait: Followed up State Audit Bureau's observations regarding both final account and previous year procedures, participating in follow-up of the observation's committees' meetings, follow up the departments responses and preparing the final responses regarding fiscal year 2019/2020. Provided the State Audit Bureau auditors team with the requested data and answers any questions since establishing the section.

- Financial Supervisory Authority: prepared the final responses on Financial Supervisory Authority reports.
- Others: Followed-up with inquires of The National Assembly members, Government Performance Follow-Up Agency, The Minister Offices' official litters, and official litters of the General Anti-Corruption Authority.

11. National Service

During the report period the conditions of the national service law No. 20 of 2015 did not apply on any KDIPA's employees. The National Military Service Authority had postponed the training course for the 48th registered batch on (December 2019) and what followed because of the spread of Corona Virus (COVID-19) in State of Kuwait and the world. The National Military Service has opened for online registration in military service on its' website www.kns.gov.kw or through other branches in the six governorates in 60 days to all male Kuwaitis born in 10 May 1999 and after being 18 years old So that they do not be effected from the penalty stipulated in the law, except in cases of exceptions, exemptions and postponements from performing national service







Scan the code to get the
PDF version of the Report

+965 22504540

www.kdipa.gov.kw

info@kdipa.gov.kw

kdipa.gov.kw

| | | | | | @KDIPA