



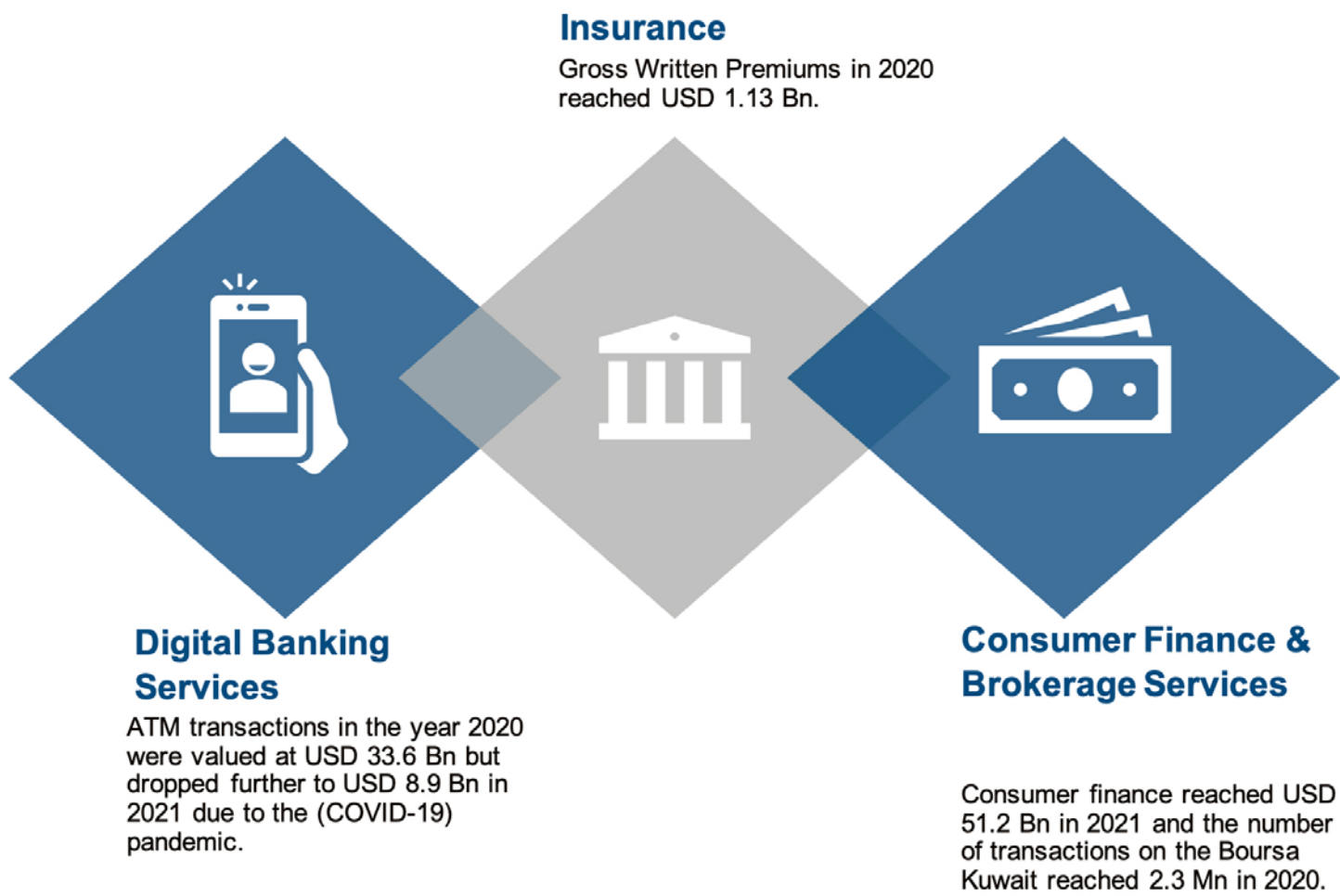
Financial Services & Banking Sector

Sector Overview

The Central Bank of Kuwait is driven to move Kuwait into the new era of digital banking and several banks have taken initiatives to push in this strategic direction. While the year 2020 may have marginally dented financial services because of the COVID-19 pandemic, services including insurance, consumer finance and brokerage, and digital banking services are expected to have an upward trajectory in the near future.



SUBSECTORS



Kuwait offers interested investors investment opportunities in financial services and banking sector in the segments of digital banking services, insurance, consumer finance and brokerage services, to attain the goals of the National Vision 2035 and its development plans.



Digital Banking

MARKET FACTORS

- The Central Bank of Kuwait announced its digital strategy during a zoom meeting held on January 31, 2022 under the theme “Stability & Enablement”, aimed to accelerate the digital transformation, and to usher in a new era in banking and finance.²
- Around 79.8% of the population above the age of 15 years have an account with a bank, according to the World Bank data, and the number of electronic transactions associated with those accounts are increasing.³
- Market surveys conducted by top professional consulting firms have revealed that 80-90% of the people would be willing to adopt digital solutions related to banking in the country.⁴
- Kuwait has around 22 commercial banks, which are regulated by the Central Bank of Kuwait (CBK).² Banks have been reporting an increase in the number of customers, revenues, deposits, and profitability as a result of adopting digital banking.
- The number of ATM transactions increased from 94.9 Mn in 2017 to 99.2 Mn in 2019, while the value of the ATM transactions increased from USD 40.1 Bn in 2017 to USD 41.2 Bn in 2019. However, as a direct impact of the (COVID-19) pandemic there was a drop in the number of ATM transactions to 75.8 Mn valued USD 33.6 Bn in 2020, and continued to drop to 22.4 Mn ATM transactions, valued at USD 8.9 Bn in 2021.²
- The number of ATMS's in Kuwait increased from 66 per 100,000 adults in 2017 to 79 per 100,000 adults in 2020, reflecting the inherent interest of customers for adopting digital modes of banking.²
- The CBK launched several measures to develop digital banking services in Kuwait, of which⁵:
 - A CBK mandate requiring all service providers to register on its e-payments system and develop plans for a digital version of the Kuwaiti Dinar.
 - The introduction of Peer-to-Peer transfer of funds through K-Net, the country's adopted electronic payment system.
 - Providing foreign exchange services that allows customers to see complete, real-time charges by multiple different counterparties.
 - Digital wallets attached to bank accounts that can be used for payments through WhatsApp or other messenger services, Point of Sales (POS) systems and any other digital wallet that utilize QR codes.
 - Self Service terminals integrated with smart que e-system.
 - Self-Service kiosks.
 - Digital customer care centers.
 - Intelligent Teller Machines (ITM's) including the ability to make video calls to banking professionals.
 - Biometric data platforms for enhanced security such as touch ID and facial recognition.
 - Interactive Voice Response Portals.
 - Live chat assistance (Chatbot).
- Banks have begun signing protocol agreements with each other for electronic payments, whereby funds from a customer account in one bank can be transferred seamlessly to their account in another bank to increase interoperability.

Sources: ¹CITRA, ²CBK, ³World Bank, ⁴Oxford Business Review, ⁵OBG.

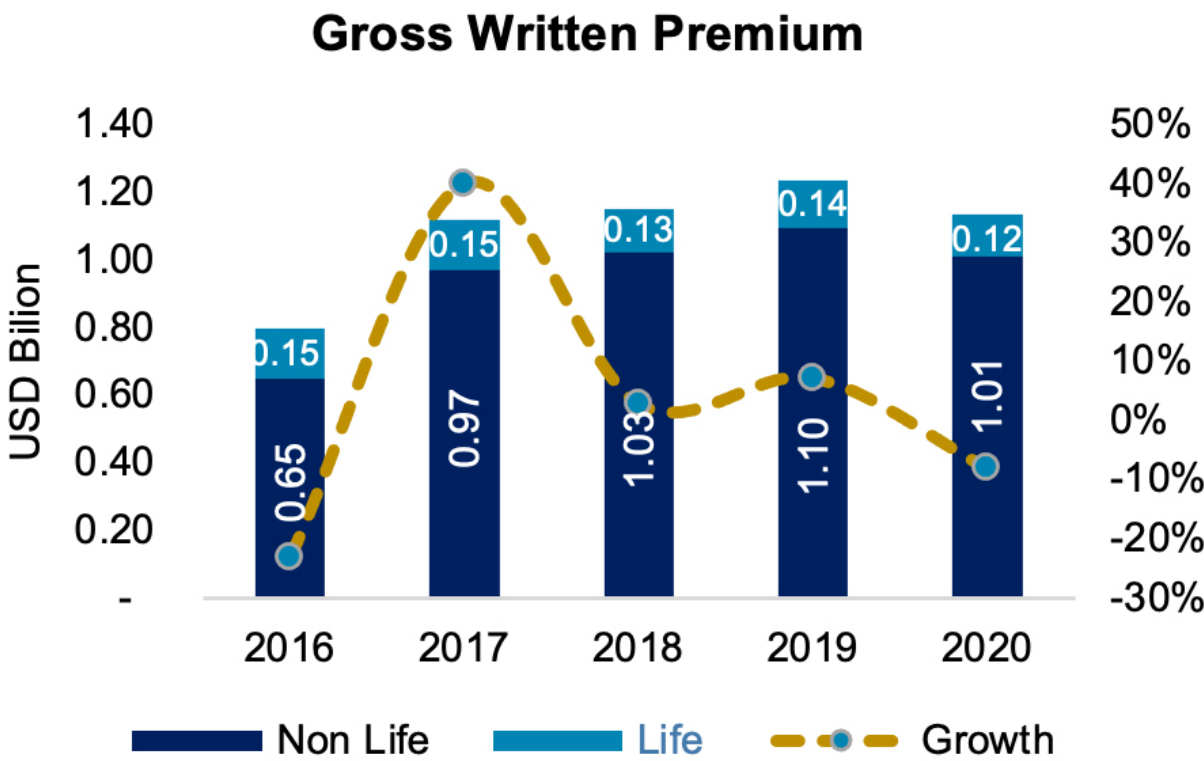


Insurance Sector

MARKET FACTORS

- Insurance sector in Kuwait consists of 37 insurance companies, 26 local and 11 foreign. Out of the 37 companies, 22 are conventional insurance companies and 15 are Takaful insurance companies.²
- The promulgation of Law No. (125) of 2019, the Insurance Regulatory Unit (IRU) was established for regulating all insurance activities in the country. The IRU operates under the supervision of the MOCI.³
- The appointment of actuarial experts is mandated by Law No. (125) of 2019.
- The capital requirements of insurance companies as per the new law based on their type include2:
 - A company carrying out life insurance: USD 16.6 Mn.
 - A company carrying out general and liability insurance: USD 16.6 Mn.
 - A company carrying out life, general and liability insurance: USD 33.2 Mn.
 - A company carrying out conventional or Takaful re-insurance activities: USD 19.8 Mn.
- Growth in insurance was primarily driven by medical insurance and secondly by motor insurance. Life insurance occupies a very small piece of the premium pie in Kuwait, estimated at approximately 10%.
- Medical insurance especially receives support from government tenders for coverage of health issues related to public sector employees. Most notably in 2019, a tender worth USD 996.7 Mn in premium was won by a private company for a period of two years for health insurance of public sector retirees.⁴

- Medical insurance is expected to boost the sector in the future through the support of the Kuwait’s health insurance scheme for expatriates, (Dhaman), that mandates an insurance fee increase from USD 166.1 to USD 431.9 on an annual basis.⁵
- The insurance sector in Kuwait grew from USD 0.8 Bn in 2016 to USD 1.136 Bn in 2020 at a CAGR of 9.2% on the Gross Written Premium (GWP). The non-life insurance segment dominated the overall insurance market at 89.1%.¹



- The insurance sector in Kuwait is the second smallest in the GCC and is ranked 74th globally based on the Gross Written Premium (GWP).¹

Sources: ¹Swiss Rev, ²Insurance Regulatory Unit, ³MOCI, ⁴OBG, ⁵Alpen Capital.

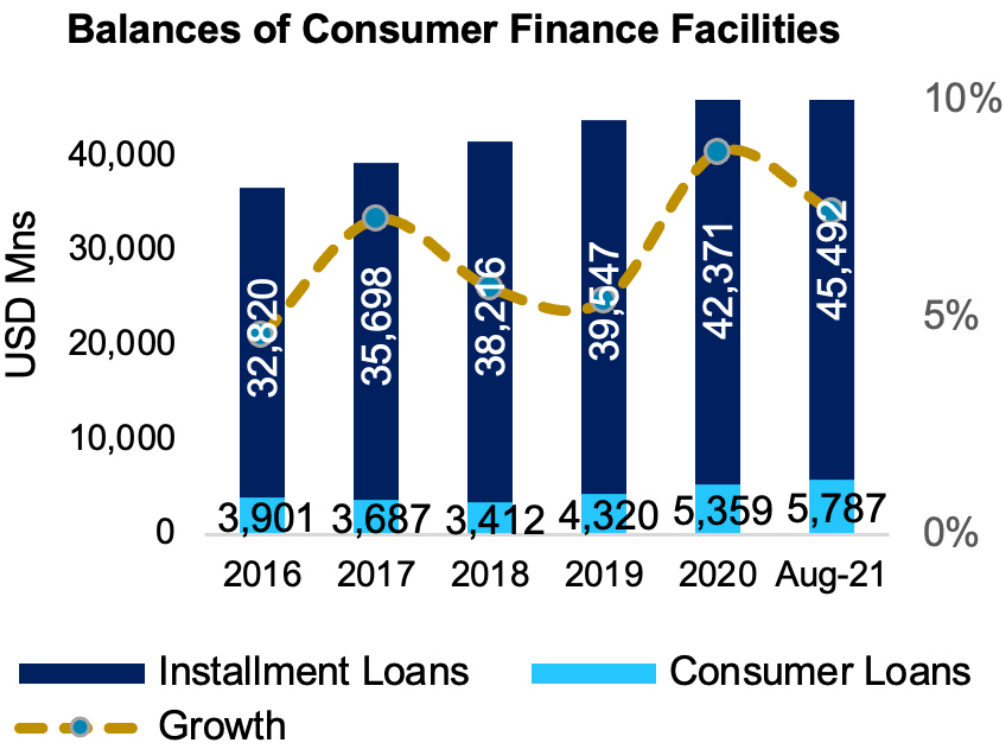


Consumer Finance & Brokerage Services

MARKET FACTORS

Consumer Finance

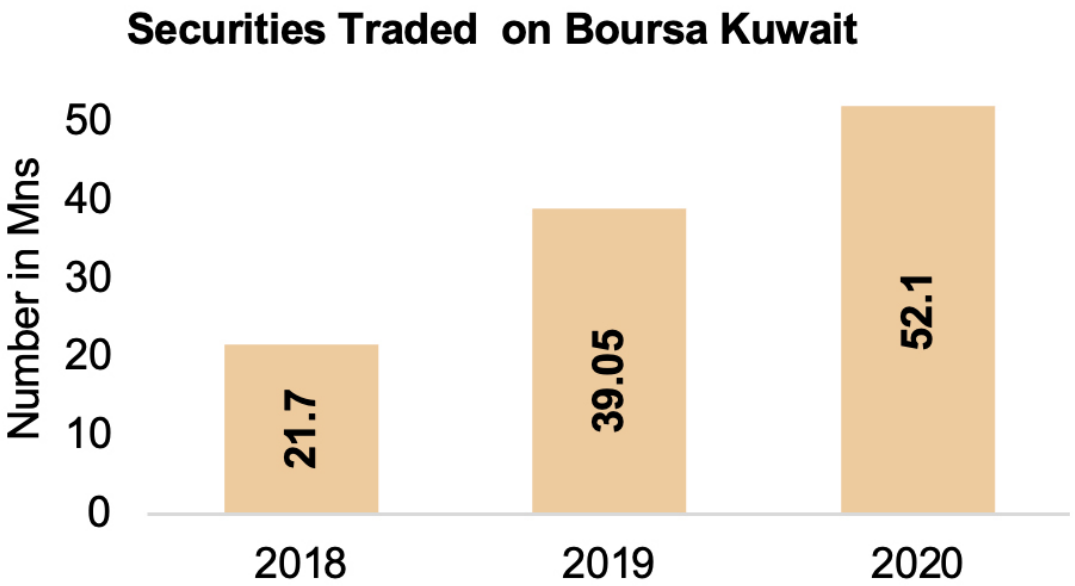
- Consumer Finance in Kuwait is made up of two loan types, consumer loans and installment loans.
- The maximum ceiling for consumer loans in the country is USD 83,000 and the maximum permissible amount for installment loans is USD 233,000.¹
- Consumer loans make up approximately 37.3% of the total loans extended by the banking sector in Kuwait.¹
- Consumer finance in Kuwait grew at a CAGR of 6.7% between 2016 valued at USD 36,721 Mn to USD 47,729 Mn in December 2020, and increased to reach USD 51,279 Mn in August 2021.
- Installment loans made the bulk of consumer financing balances in August 2021 at almost 88.7% of the total balance. Approximately 66% of the total consumer financing facilities went to Kuwaitis.¹



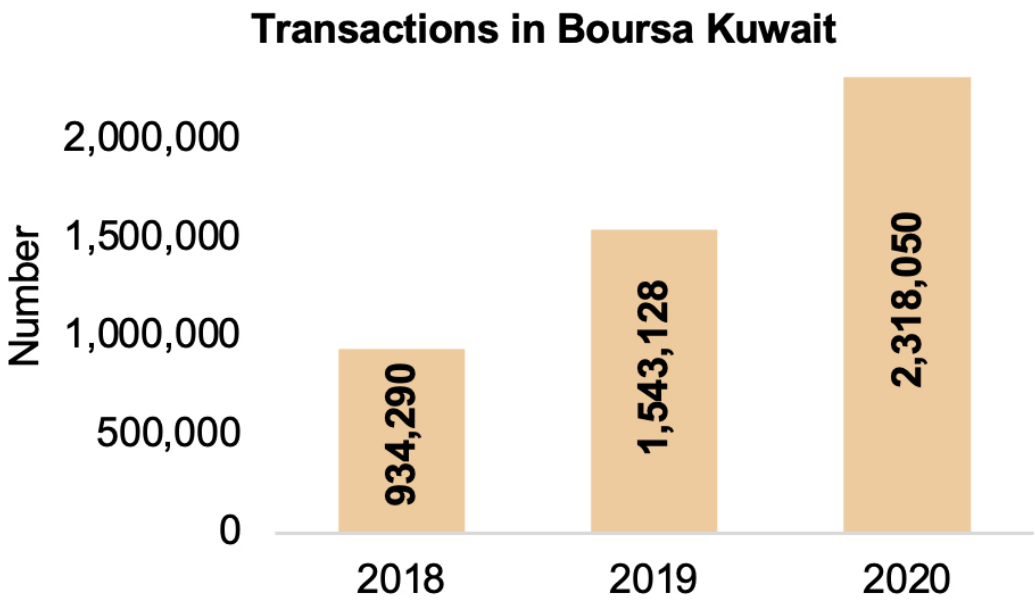
- The prevailing interest rate for consumer finance reached 6.0% per annum, as the Central Bank of Kuwait discount rate rose to 3.0% in September 21, 2022.²

Financial Brokerage Services

- Kuwait has multiple stock broking firms catering to the local and global capital markets, 10 of which are registered in Boursa Kuwait. Financial brokerage is a regulated activity in the country, and only companies licensed by the Capital Markets Authority of Kuwait can provide brokerage services.³
- The total number of securities traded in Boursa Kuwait reached 84.6 Bn shares in 2021 compared to 52 Bn shares in 2020, and 39 Bn shares in 2019.³



- Boursa Kuwait handled over 3.05 Mn transactions in 2021 compared to 2.3 Mn transactions in 2020, an increase of almost 50% over transactions registered in 2019.³
- The trading fees chargeable by registered brokerage according to Boursa Kuwait approved scheme as follows:
 - 0.10% related to the premier market
 - 0.15% related to the main market
 - 0.30% related to the auction market



- The minimum commission chargeable is USD 0.831. The collected commission is divided according to Boursa Kuwait approved scheme as follows:
 - 70% will be retained by the broker,
 - 29% must be paid to Boursa Kuwait,
 - 1% must be paid to the clearing house, namely Kuwait Clearing Company.
- The commission related to off-market trades is 0.20%. The off-market trades is divided according to Boursa Kuwait approved scheme as follows:
 - 50% to be retained by the broker,
 - 49% to be paid to Boursa Kuwait,
 - 1% to be paid to the clearing house, namely Kuwait Clearing Company.³

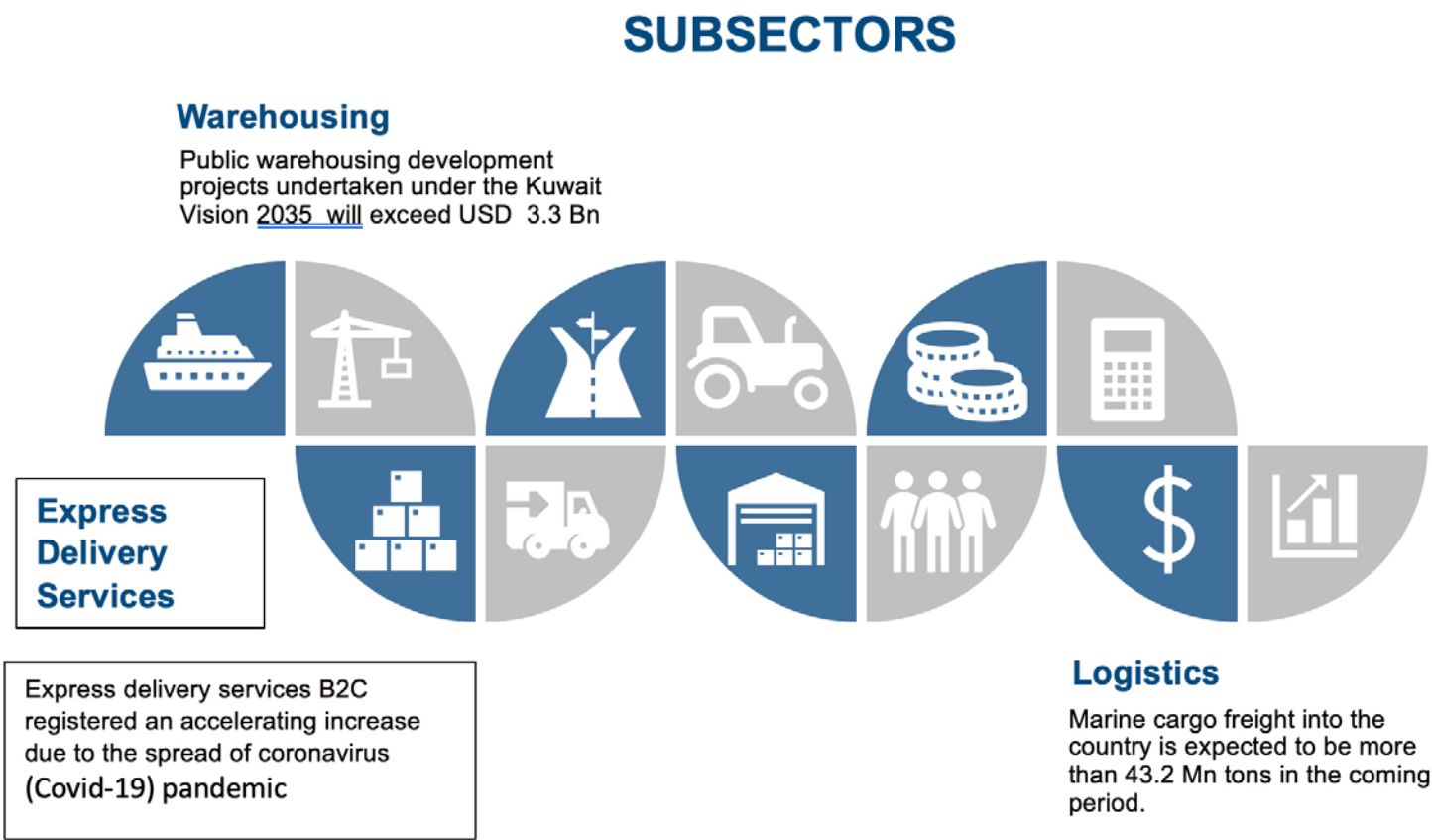
Sources: ¹Gulf Bank, ²CBK, ³Boursa Kuwait.

A worker in a blue uniform and cap is operating a yellow forklift to load a large white truck. The forklift is positioned on a metal ramp that is extended from the back of the truck. The worker is facing away from the camera, and the forklift's mast is raised, carrying a large, cylindrical object. The truck's rear door is open, and another person in a red uniform is visible inside the truck's cargo area. The background shows a large industrial building with a complex metal framework. The scene is set outdoors during the day, with a clear blue sky.

Storage & Logistics Sector

Sector Overview

The development and expansion of seaports and the expansion of the airport have resulted in the development of several logistics and warehousing projects in the country.



Kuwait offers interested investors a host of mega investment opportunities in in storage and logistics support in the field of warehousing, logistics, and express delivery services to attain the goals of the National Vision 2035 and its development plans.



Warehousing

MARKET FACTORS

- Warehouses are mostly used by manufacturers, wholesalers, im-
porters, and distributors. Trading is an important part of the
country’s economy and vital for the day-to-day functioning of the
society; warehousing plays a pivotal role in the chain of trading
activities conducted in the country.
- There is several warehouses in Kuwait owned by the public sector
most of which are located at the airports, seaports and inland in-
cluding the following:

Location	Owner	Capacity (sqm)
Shuwaikh Port – Open Storage – Warehouse storage	Kuwait Ports Authority	450,000 ¹ 170,000 ¹
Shuaiba Port	Kuwait Ports Authority	14,500 ¹
Doha Port	Kuwait Ports Authority	50,000 ¹
Kuwait International Airport	General Directorate of Civil Aviation	+ 10,000 ³
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	16,606 ²
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	9,650 ²
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	611,543 ²
Mina Abdullah/Shuaiba	Kuwait National Petroleum Company	67,620 ²
Sabhan	Ministry of Health	32,500 ²

- The private sector is also very active in the storage segment. Some
of the prominent warehouses owned by the private sector include
the following:

Commercial Storage

Location	Owner	Capacity (sqm)
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	20,000 ²
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	18,000 ²
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	8,420 ²
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	8,420 ²
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	84,142 ²
Mina Abdullah	Jassim Transport & Stevedoring Company (K.S.C.P)	150,000 ²
Mina Abdullah	KGL Logistics Company (K.S.C.P)	84,000 ⁵

Cold Storage

Location	Owner	Capacity (sqm)
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	16,836 ²
Sulaibiya	Agility Public Warehousing Company (K.S.C.P)	15,480 ²
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	9,000 ²
Mina Abdullah	Agility Public Warehousing Company (K.S.C.P)	12,387 ²

Mina Abdullah	Jassim Transport & Stevedoring Company (K.S.C.P)	10,000 ²
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- The government has launched a number of initiatives to add in-
crease warehousing capacity. Some of these include⁴:

Project	Cost	% of GDP
Development of the Mubarak Al Kabeer Port at the Boubiyan Island Port Development	USD 3,291.7 Mn	2.79%
Development of the Airport Cargo City Development for cater- ing to the air cargo of the country	USD 120 Mn	0.10%
Development of the storage areas of the Kuwait Ports Corporation	USD 664.5 Mn	0.56%
Development of gener- al warehouses and border ports at Al Abdali	USD 2,029.9 Mn	1.72%

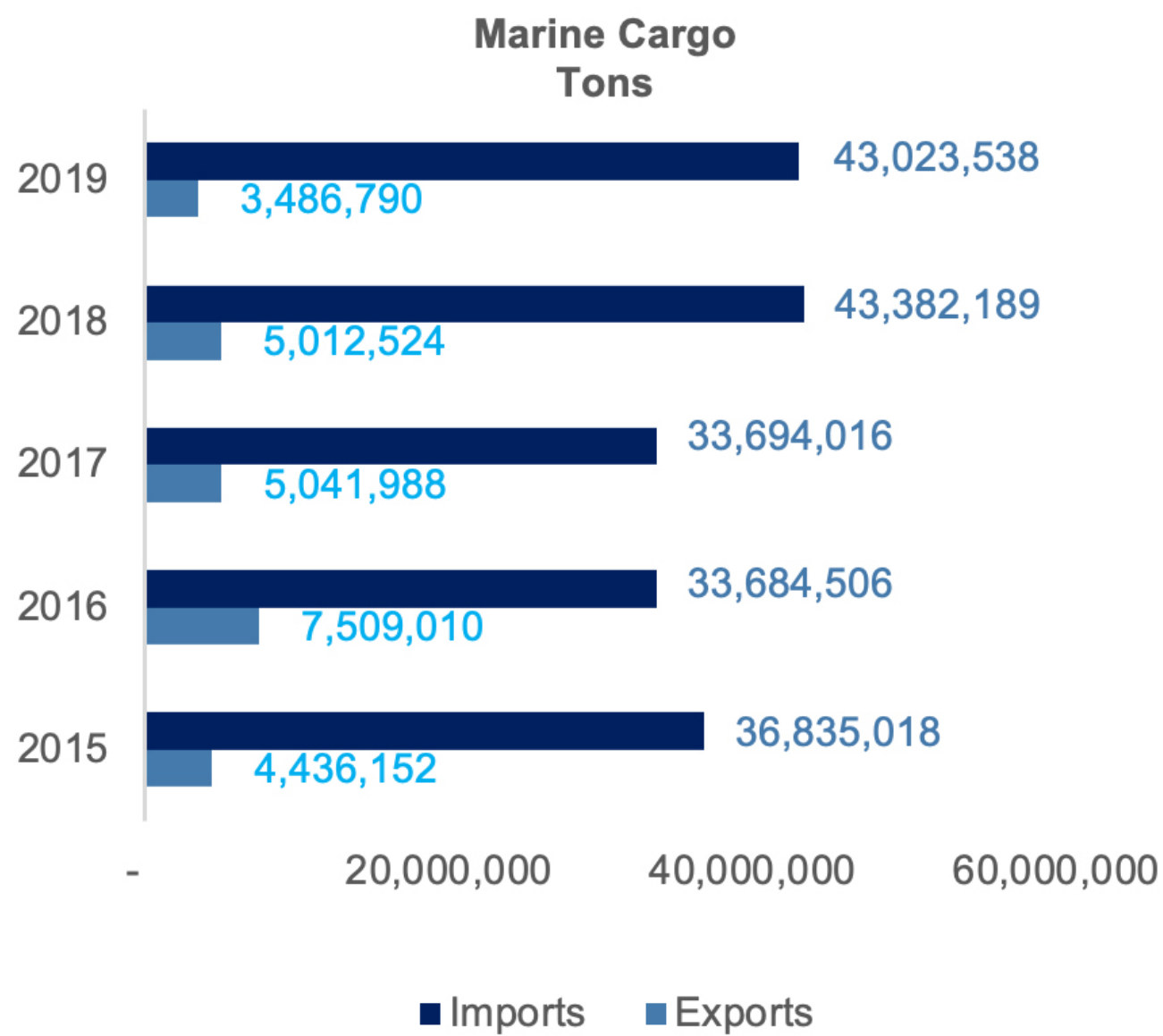
Sources: ¹Kuwait Ports Authority, ²Logistics Capacity Assessment., ³Jassim Transport &
Stevedoring Co., ⁴Kuwait Vision 2035, ⁵Kuwait United Development Co.

Logistics

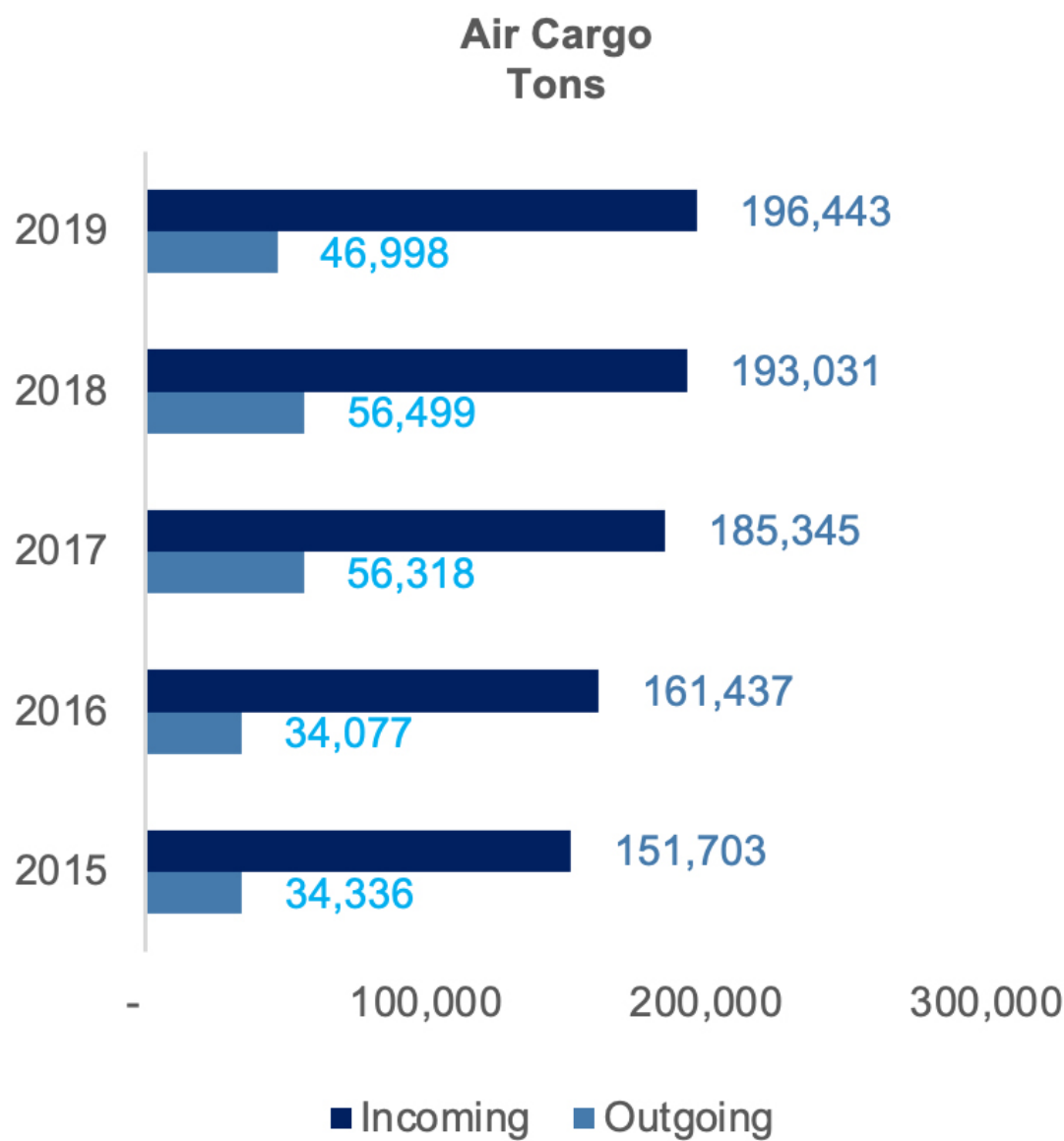
MARKET FACTORS

- Commercial freight movement in Kuwait is undertaken by marine, air, and land transportation, but marine remains the main mode of transportation. The development of new ports and the expansion of existing ones and the construction of the GCC railway system are expected to enhance the amount of regional trade, which will require further logistical support to meet the heightened momentum of trade during this time.

The import and export of marine cargo freight in 2019 reached 43 Mn tons and 3.5 Mn tons respectively. The CAGR of cargo import freight was 4% and export freight was -5.8% from a base of 2015.¹



The incoming and outgoing of air cargo freight in 2019 reached 196.4 thousand tons and 46.9 thousand tons respectively. The CAGR of incoming cargo freight was 6.7% and outgoing cargo freight was 8.2% from a base of 2015.¹



- Many private sector companies in Kuwait cater to the logistics sector. Some of the prominent companies include:
 - Agility Public Warehousing Company – Publicly Listed
 - Kuwait and Gulf Link Logistics Company – Publicly Listed
 - Jasim Transport & Stevedoring Company – Publicly Listed

- There are several projects being developed by the government to support the logistical infrastructure of the country. They include²:

Project	Cost (USD Mn)	% of GDP
Railway Network in the State of Kuwait (Phase 1)	60.5	0.05%
Establishment of an export, import and customs inspection zone in the western Shuaiba region	49.8	0.04%
Expansion and development of the Shuwaikh Port Development	548.2	0.46%
Expansion and development of the Shuaiba Port Development	358.8	0.30%
National Center for Ship Traffic Systems (VTS) and Search and Rescue Building	53.8	0.05%
Expansion and development of the Doha Port	265.8	0.23%
Building the Mubarak Al Kabeer Port	3,291.7	2.79%

- There are also plans for establishing four logistics cities including an area of 317,355 sqm at Shuwaikh port, 300,000 sqm at Doha port, another 270,000 sqm at Doha port and 1,000,000 sqm at Mina Abdullah Port. The engineering design tender for these locations was recently launched by Kuwait Ports Authority.

Sources: ¹CSB, ²Kuwait Vision 2035.

Express Delivery Services

MARKET FACTORS

- Express delivery services are crucial for Kuwait's logistics market.
- Kuwait's e-commerce industry has witnessed a tremendous growth over the last years reaching USD 1.9 Bn in 2020 with a wide range of shipments coming into Kuwait reflecting the changing preferences of consumers and their acceptance to shop electronically.²
- The players of the express delivery services in Kuwait include local and international companies. Some of the prominent international companies include:
 - Aramex
 - DHL Express
 - UPS
 - Porter Express
 - TNT
 - Skycom
 - FedEx
- International companies play an important role in the market because of high volume of trade, shipments related to expatriates and growing business activities.

Sources: ¹Shipa, ²Statista, ³Cision.



Media & Marketing Sector

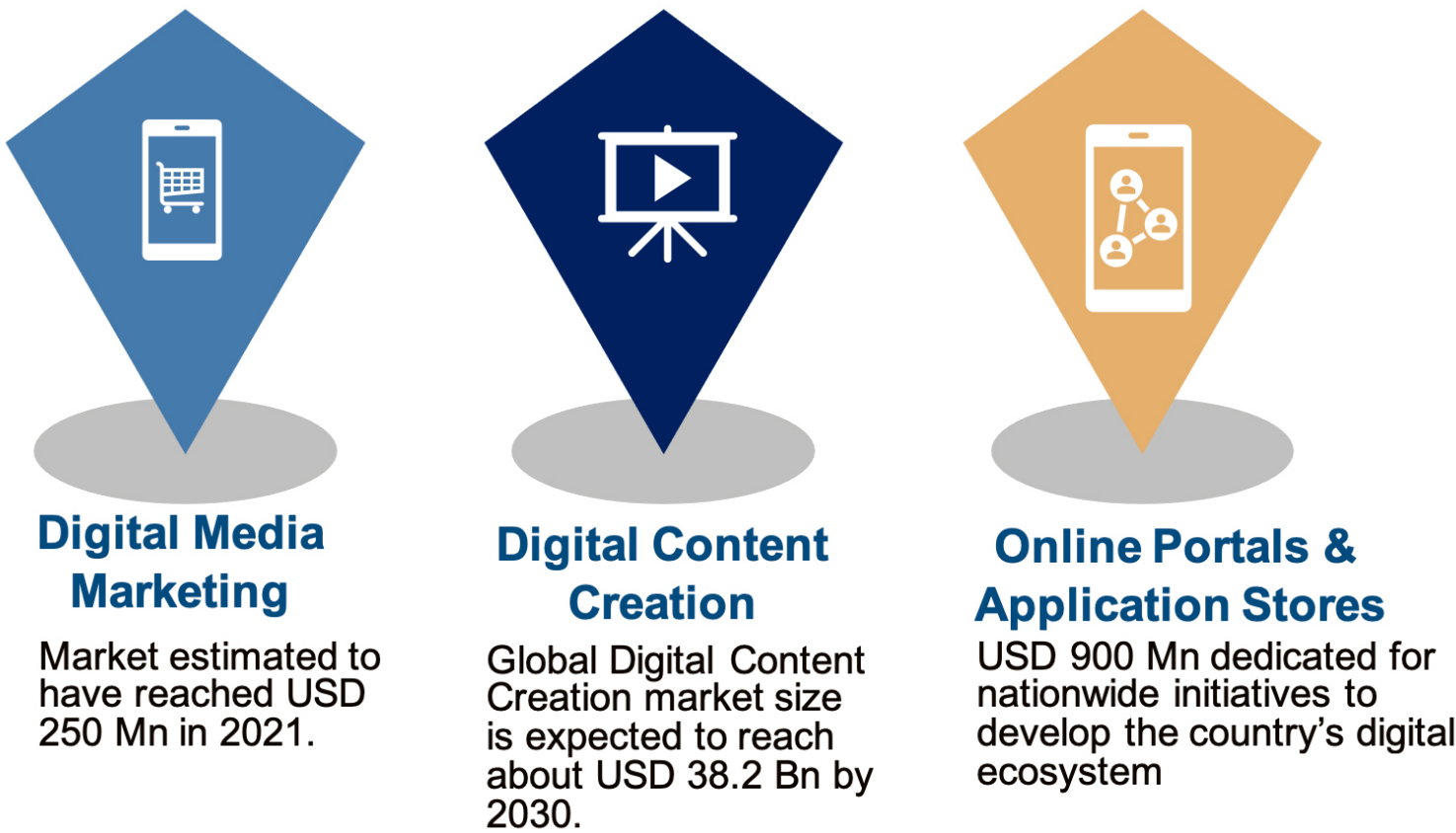


Sector Overview

The Kuwaiti market has one of the largest mobile phone and internet penetration rates in the region. The population is young, educated and technology savvy. Most of them have access to social media and other channels and thereby receive and consume a lot of information digitally. This has increased the potential for e-commerce, application development, digital promotion of companies products and services, and raising awareness of various government e-services and its utilization.



SUBSECTORS



Kuwait offers interested investors a host of investment opportunities in digital media marketing, digital content creation, and online portals and application stores within Kuwait digital transformation efforts to attain the goals of the National Vision 2035 and its development plans.



Digital Media Marketing

MARKET FACTORS

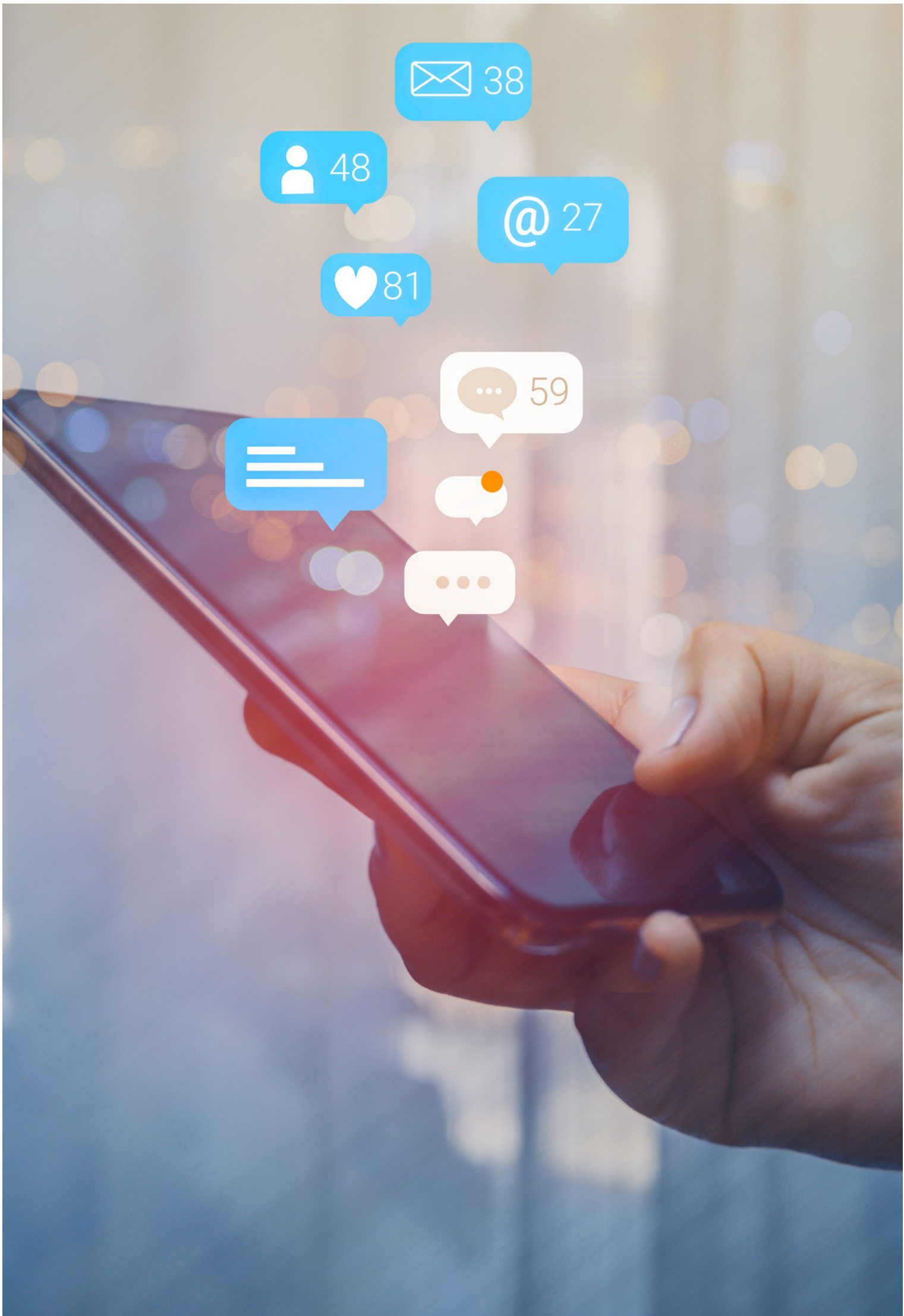
- Digital media marketing is the promotion of products, services and associated brands on the internet and through other forms of digital communication, which include Social Media Marketing (SMM), Search Engine Optimization (SEO), Search Engine Marketing (SEM), Email Marketing, Marketing Automation, Digital Advertising and Content Marketing.
- The Kuwaiti population is highly educated and prefer to consume information over various digital multimedia platforms.
- Kuwait has one of the highest mobile and internet penetrations globally, with 99.6% of individuals use the internet while mobile cellular subscription was 178.5% per 100 inhabitants.¹
- Around 97.7% of the individuals utilize the internet daily, and 95.1% of individuals have social media accounts and the high penetration of social media platforms such as Facebook, Twitter, Snapchat, and Instagram coupled with the adoption of multimedia platforms like WhatsApp. The digital advertising space is in its growth phase and has immense potential because.³
- Kuwait had the third largest advertising expenditure in the GCC, with about USD 480 Mn in advertising spending in 2020.²
- While COVID-19 and its related restrictions caused the linear advertising sales to drop by 20% in 2020 to USD 260 Mn, digital advertising sales grew by 4% during the same period, and digital advertising sales are expected to accelerate by more than 10% in 2021 to reach USD 250 Mn.²
- Existing players within the sector include international firms who mostly cater to in-house digital marketing requirements.

- The top 3 sectors in the MENA Region that use Digital Marketing to drive business includes Hygiene and Beauty care, Food and Telecommunication.

INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities to interested investors within the digital media marketing with potential of more growth in this segment.

Sources : ¹CITRA, ²Magna Intelligence, ³IPSOS Group.



Digital Content Creation

MARKET FACTORS

- Digital content creation is the ability to develop written or visual content about topics that appeal to potential consumers. Digital content includes e-books, videos, audios, movies, pictures, and infographics.
- The Kuwaiti population is very active on social media and is bombarded by a huge volume of digital content daily with 84% of households own a portable device such as laptops and tablets and 76.8% of households own at least one type of smart device such as a smart TV.¹
- There is a high appetite for digital content in the Kuwaiti market, as youth comprise highest share of the population (>50% is under the age of 35), with high income per capita and strong purchasing power, that enables them to own the latest gadgets in the market and access the best internet services available.
- The advent of Netflix, Amazon Prime as well as other interactive applications like TikTok, has created further scope for content creation and consumption in the market. In Kuwait, the most used broadcast playback applications for 2021 was Tik Tok with 35.9% users, followed by YouTube with 32.5% users and Netflix with 11.5% users.²
- The Global Digital Content Creation market size is expected to reach about USD 38.2 Bn by 2030 and is forecasted to grow at an annual rate of about 12%.³

INVESTMENT OPPORTUNITIES

- Digital Content Creation in Kuwait is at an emerging phase with few players prevalent in an expanding market. The market offers opportunities for interested investors to launch digital content

creation software applications that could help them tap into the market to grow regionally and globally.

- Opportunities are also available for hardware manufacturers to launch products in the market that are compatible with digital content software allowing for technological advances and product improvements.

Sources: ¹CITRA, ²Arab Times, ³Presswire.



Online Portals & Application Stores

MARKET FACTORS

- Online Portals and Application Stores provide consumers with access to many products and services. While online portals are usually web based, application stores give consumers the ability to download and operate applications separately onto a device.
- Kuwait has dedicated over USD 900 Mn in the year 2020 specifically for nationwide initiatives that will directly contribute to a stronger digital ecosystem and transform the country's infrastructure.²
- Kuwait has witnessed substantial growth in e-commerce in the past years with several locals launching successful companies in Kuwait and the Middle East. Some of them include Talabat, Carriage, Boutiqat, Myfatoorah, Floward and Just Clean.
- A number of existing local and international businesses in Kuwait have also gone digital and launched online portals and applications to promote the sale of their products and services.
- The local population has willingly accepted e-payments as a mode of settling financial transactions, which has further boosted e-commerce in the country.
- A few young Tech Entrepreneurs are launching new products and services in the market actively, encouraged, financed, and supported by venture capitalists and the government.
- Following the pandemic, the government of Kuwait digitalized a number of its services through portals and application stores, thereby showing the intent to adopt technology in the public sector. The initiatives include applications such as Sahel, Shlonik, Kuwait Mosafer, Kuwait Mobile ID and Immune.

INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities to interested investors within the online portals and application stores.

Sources: ¹CITRA, ²KFAS.

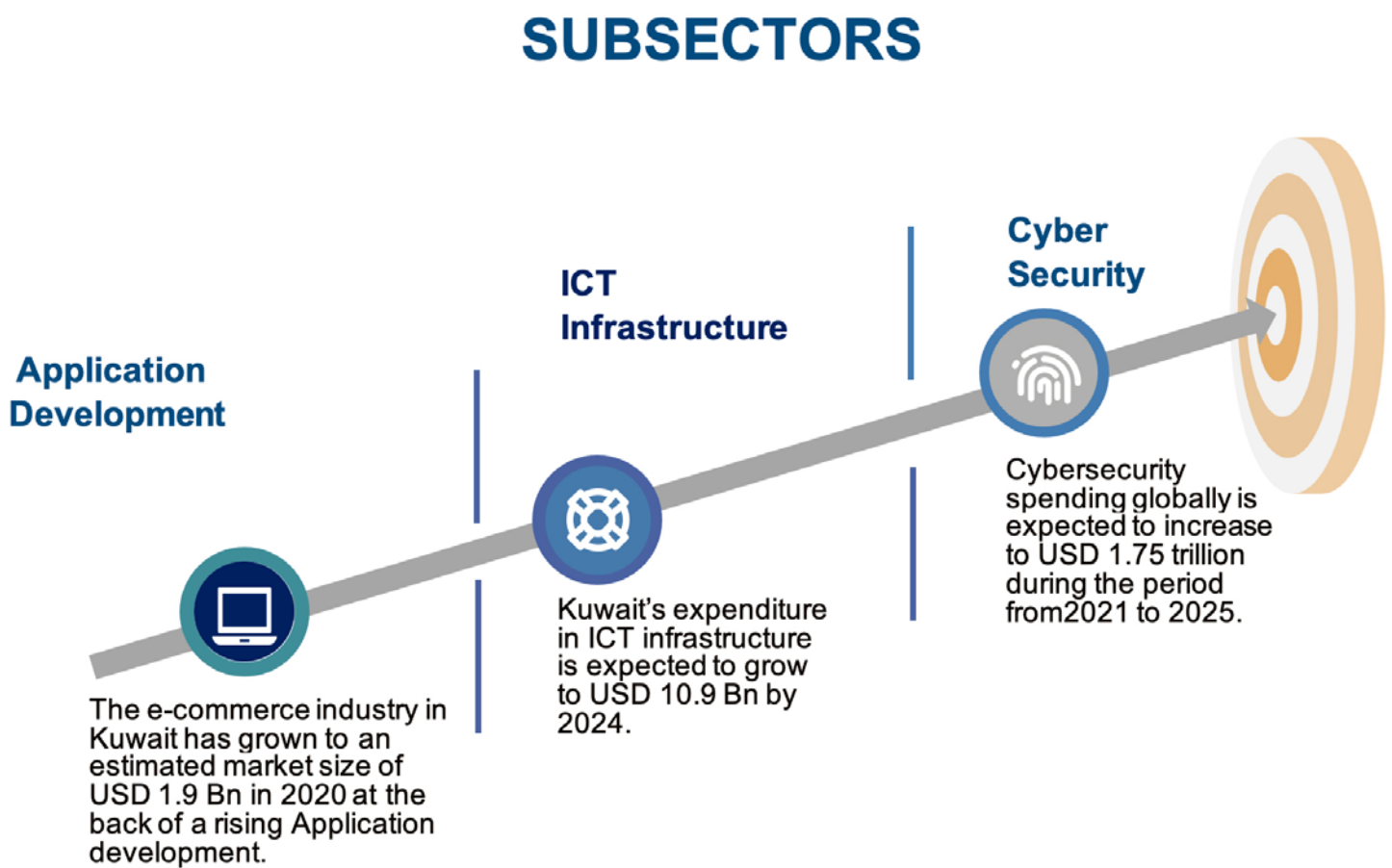


A person wearing a white lab coat is seated at a desk. Their left hand is on a laptop keyboard, and their right hand is holding a smartphone. The background is slightly blurred, showing a wooden desk and some office equipment. The text "Technology Sector" is overlaid in the center of the image.

Technology Sector

Sector Overview

The technology sector in Kuwaiti has seen a major growth the ICT infrastructure and the cyber security, while the application development witnessed a significant interest upswing. Locally founded FinTech and Food Tech companies have been successfully launched in Kuwait and in the region. Their success has been a catalyst for the launch of several other companies in Kuwait in many domains. The government support to the public in funding new technology companies through its SME Fund is an added incentive for young Kuwaiti entrepreneurs.



Kuwait offers interested investors a host of lucrative investment opportunities in the ICT sector of which application development, ICT infrastructure, and cyber security, supporting the digital transformation efforts in the State of Kuwait, and contributing to attain the goals of the National Vision 2035 and its development plans.

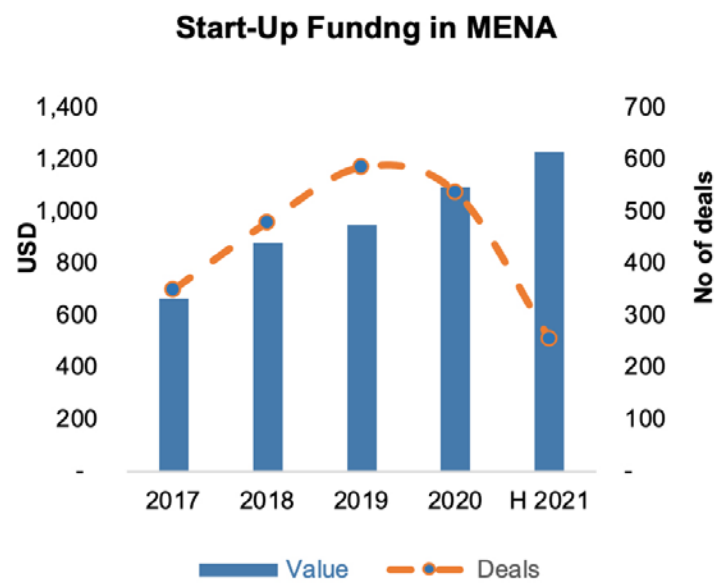


Application Development

MARKET FACTORS

- Application development is the process of developing software applications for mobile devices such as mobile phones, tablets, and others. The application development lifecycle typically involves design, development, testing, deployment, maintenance, and support.
- Kuwait has one of the highest mobile and internet penetrations globally as 99.6% of individuals use the internet while mobile cellular subscription was 178.5% per 100 inhabitants.
- The e-commerce industry in Kuwait has grown to an estimated market size of approximately USD 1.9 Bn in 2020.² While the e-commerce market in the MENA region is expected to reach USD 28.5 Bn by 2022 from a base of USD 8.3 Bn in 2017 a growth of nearly 3.3. times.⁶
- The technology sector is strongly supported in Kuwait by the government, which announced a USD 7 Bn Kuwait National Fund for SMEs to foster entrepreneurship amongst Kuwait youth, and encourage innovation in start-ups.³
- The sector is also supported by many incubators, accelerators and regional venture capitalists who see immense potential in business models.
- A number of local business investors and Kuwait family businesses are also venturing into this domain.
- The sector initially saw huge success with FoodTech with the launch of successful ventures such as Talabat and Carriage. Talabat was eventually sold to an international investor with an attractive valuation of USD 564.8 Mn and Carriage was acquired by the same investor through Talabat.⁴

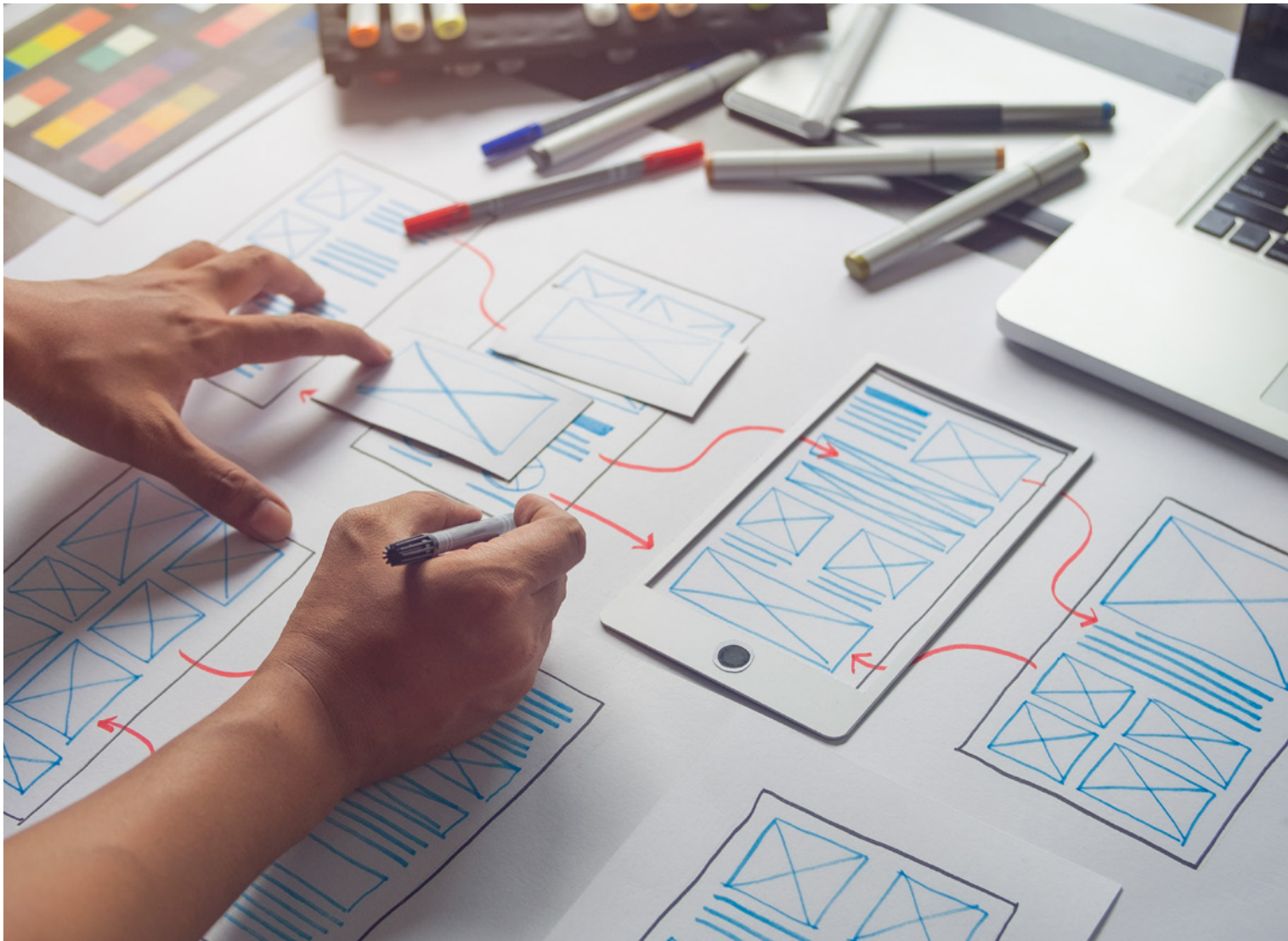
- The sector also consists of business models related to groceries, payment solutions, electronics, real estate, home cleaning services, mobile saloons, and cosmetics.
- The government is keen on the digital transformation of government services provided by the Public Sector through the launching of several applications. The main objectives behind the digital transformation include:
 - Enhancing transparency in government transactions and reducing corruption.
 - Facilitating and expediting public service delivery and raising level of satisfaction.
 - Reducing human interference in transactions to ensure more just and equal treatment.
 - Advancing the efficiency of government performance and raising the level of technical awareness and work culture.⁵
- Some of the government’s initiatives in this regard include applications such as Shlonak, Musafir, Hawiyati, Immune, Meta, and Sahel. Others will also be included as part of the digitalization of ministries and public authorities transactions and services.
- Venture capital funding for the MENA region in the first half of 2021 stood at USD 1.2 Bn, higher than the entire amount of USD 1.09 Bn raised in the year 2020. The most attractive sectors in the region for venture capital were FoodTech and FinTech.⁷



INVESTMENT OPPORTUNITIES

- Kuwait offers lucrative investment opportunities in application development benefiting from a supportive ecosystem, which is expected to gain an increasing share of the application development market with high and high mobile and internet penetration rates, high income per capita and strong purchasing power, technology savvy and talented youth comprising major percentage of the population.

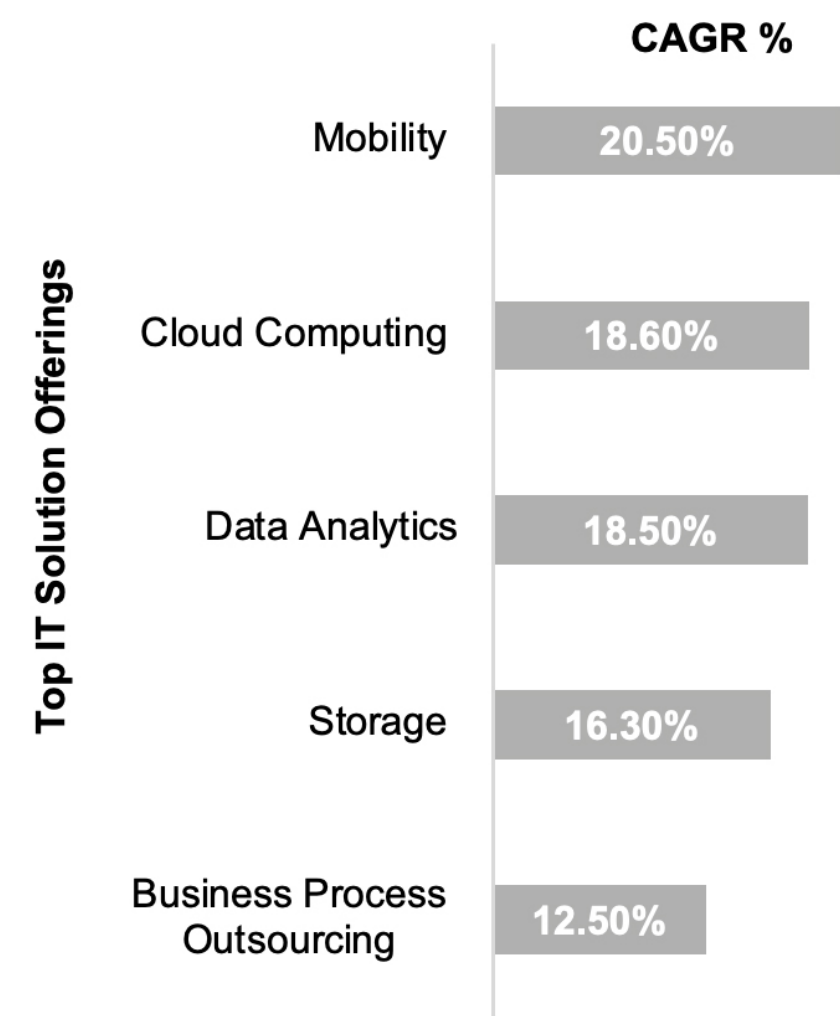
Sources: ¹CITRA, ²Statista, ³The National News, ⁴Arabnet, ⁵General Secretariat of the Supreme Council for Planning and Development, ⁶Bain & Co, ⁷Magnitt.



ICT Infrastructure

MARKET FACTORS

- The Kuwaiti government places a strong emphasis on the digital transformation of both public and private sectors, supported by the availability of high-end IT infrastructure in the country coupled with 5G internet speed.
- Kuwait’s expenditure in ICT is expected to grow to USD 10.9 Bn by 2024, at a CAGR of 10.2% (base 2019) by adopting various technologies such as Artificial intelligence (AI), Big Data, Cloud Computing, and Internet of Things (IoT).¹
- There are five main drivers for the country’s digital transformation growth that include Mobility that is expected to grow at 20.5% CAGR, followed by Cloud Computing (18.6%), Data Analytics (18.5%), Storage (16.30%), and Business Process Outsourcing (12.50%).¹



- A large number of ICT projects were undertaken to assist transforming Kuwait into a diversified and sustainable economy². They include:

Project Name	Cost (USD Mn)	% of GDP
Broadcasting and digital archiving network	59.4	0.05%
Fiber optic network between switches	13.3	0.01%
FTTH Optical Network (Phase III)	347.2	0.29%

- Banks are increasingly focusing on tech-based solutions for providing e-wallet and digital payment facilities.

INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities for interested investors to participate in tenders commissioned by the government in digital transformation segment, along with several opportunities in:
 - Mobile content management and enterprise mobile device management.
 - Data and analytical tools for businesses.
 - Cloud-computing solutions.
 - Expanding the ICT digital infrastructure.
 - Use of satellites for different purposes including R&D, Education and Scientific Research.

Sources: ¹GlobalData, ²Kuwait Vision 2035.



Cyber Security

MARKET FACTORS

- Cyber Security is securing computers, systems, and networks from disruption by protecting them against damage to their hardware, software, or electronic data from malicious attacks caused by viruses, malwares, hacking and trojans.
- Cyber Security spending globally is expected to increase to USD 1.75 trillion cumulatively for the period 2021 to 2025. It was merely USD 3.5 Bn back in 2004.¹
- Cybercrime losses globally have risen exponentially from USD 3 trillion a decade ago to USD 6 trillion in 2021. It is expected to cross USD 10.5 trillion by 2025.¹
- The government of Kuwait launched the National Cyber Security Strategy for the State of Kuwait for the years (2017–2020). The Strategy has mandated the creation of a National Cyber Security Centre to undertake the risk assessment analysis of 45 critical national infrastructure stakeholders.²
- The Central Bank of Kuwait has mandated Cyber Security Independent Audits for all banks, to detect inherent limitations within the respective ICT systems so that corrective measures can be taken.
- Kuwait ranked 65th out of 194 countries globally and 9th regionally in the Global Cyber Security Index in 2020.³
- Kuwait has faced multiple Cyber Security issues in the past years with attacks on shipping, transportation firms and financial institutions, and continues to be exposed to cyber attacks:
 - As per Trend Micro’s Annual Cybersecurity Report for 2021, Kuwait witnessed over 14 million email threats, more than 3.5 million URL victims attack, over 1.7 million malware attacks. With increasing remote work, the Smart Home

Network (SHN) solutions shielded and prevented more than 756,857 SHN events. ⁴

– As per Kaspersky Security Solutions 784,043 phishing attacks occurred in Kuwait in the second quarter of 2022.⁵



INVESTMENT OPPORTUNITIES

- Kuwait is expected to offer several lucrative investment opportunities to interested investors within the Cyber Security solutions domain to provide optimal solutions locally that meet international standards, within the training domain as employees need to be aware of Cyber Security threats and the mechanisms to avoid them.

Sources: ¹Einnews, ²OBG, ³International Telecommunication Union (ITU), ⁴Zawya, ⁵Arab Times.

