

Economy Profile
Kuwait

Doing Business 2020

Comparing Business
Regulation in
190 Economies



Economy Profile of Kuwait

*Doing Business 2020 Indicators
(in order of appearance in the document)*

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as postfiling processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Employing workers	Flexibility in employment regulation and redundancy cost

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.


Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of employing workers. Although *Doing Business* does not present rankings of economies on the employing workers indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed [subnational studies](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These studies provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* study, published in 2003, covered 5 indicator sets and 133 economies. This year's study covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

To learn more about *Doing Business* please visit doingbusiness.org

Ease of Doing Business in Kuwait 	Region	Middle East & North Africa	DB RANK	DB SCORE
	Income Category	High income	83	67.4
	Population	4,137,309		
	City Covered	Kuwait City		

Rankings on Doing Business topics - Kuwait



Topic Scores



Starting a Business (rank) 82 Score of starting a business (0-100) 88.4 Procedures (number) 5.5 Time (days) 19.5 Cost (number) 1.7 Paid-in min. capital (% of income per capita) 0.0	Getting Credit (rank) 119 Score of getting credit (0-100) 45.0 Strength of legal rights index (0-12) 1 Depth of credit information index (0-8) 8 Credit registry coverage (% of adults) 16.8 Credit bureau coverage (% of adults) 31.6	Trading across Borders (rank) 162 Score of trading across borders (0-100) 52.6 <i>Time to export</i> Documentary compliance (hours) 72 Border compliance (hours) 84 <i>Cost to export</i> Documentary compliance (USD) 227 Border compliance (USD) 665 <i>Time to export</i> Documentary compliance (hours) 96 Border compliance (hours) 72 <i>Cost to export</i> Documentary compliance (USD) 332 Border compliance (USD) 634
Dealing with Construction Permits (rank) 68 Score of dealing with construction permits (0-100) 71.9 Procedures (number) 19 Time (days) 103 Cost (% of warehouse value) 5.5 Building quality control index (0-15) 14.0	Protecting Minority Investors (rank) 51 Score of protecting minority investors (0-100) 66.0 Extent of disclosure index (0-10) 5.0 Extent of director liability index (0-10) 9.0 Ease of shareholder suits index (0-10) 4.0 Extent of shareholder rights index (0-6) 2.0 Extent of ownership and control index (0-7) 6.0 Extent of corporate transparency index (0-7) 7.0	Enforcing Contracts (rank) 74 Score of enforcing contracts (0-100) 61.4 Time (days) 566 Cost (% of claim value) 18.6 Quality of judicial processes index (0-18) 7.5
Getting Electricity (rank) 66 Score of getting electricity (0-100) 81.9 Procedures (number) 5 Time (days) 49 Cost (% of income per capita) 55.7 Reliability of supply and transparency of tariff index (0-8) 6	Paying Taxes (rank) 6 Score of paying taxes (0-100) 92.5 Payments (number per year) 12 Time (hours per year) 98 Total tax and contribution rate (% of profit) 13.0 Postfiling index (0-100)	Resolving Insolvency (rank) 115 Score of resolving insolvency (0-100) 39.2 Recovery rate (cents on the dollar) 32.2 Time (years) 4.2 Cost (% of estate) 10.0 Outcome (0 as piecemeal sale and 1 as going concern) 0 Strength of insolvency framework index (0-16) 7.0
Registering Property (rank) 45 Score of registering property (0-100) 75.1 Procedures (number) 7 Time (days) 17 Cost (% of property value) 0.5 Quality of the land administration index (0-30) 18.5		

Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p>The business:</p> <ul style="list-style-type: none"> -Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the limited liability form most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. -Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. -Performs general industrial or commercial activities such as the production or sale to the public of goods or services. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It is not using heavily polluting production processes. -Does not qualify for investment incentives or any special benefits. -Is 100% domestically owned. -Has five business owners, none of whom is a legal entity. One business owner holds 30% of the company shares, two owners have 20% of shares each, and two owners have 15% of shares each. -Is managed by one local director. -Has between 10 and 50 employees one month after the commencement of operations, all of them domestic nationals. -Has start-up capital of 10 times income per capita. -Has an estimated turnover of at least 100 times income per capita. -Leases the commercial plant or offices and is not a proprietor of real estate. -Has an annual lease for the office space equivalent to one income per capita. -Is in an office space of approximately 929 square meters (10,000 square feet). -Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> -Have reached the legal age of majority and are capable of making decisions as an adult. If there is no legal age of majority, they are assumed to be 30 years old. -Are in good health and have no criminal record. -Are married, the marriage is monogamous and registered with the authorities. -Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

Starting a Business - Kuwait

Standardized Company

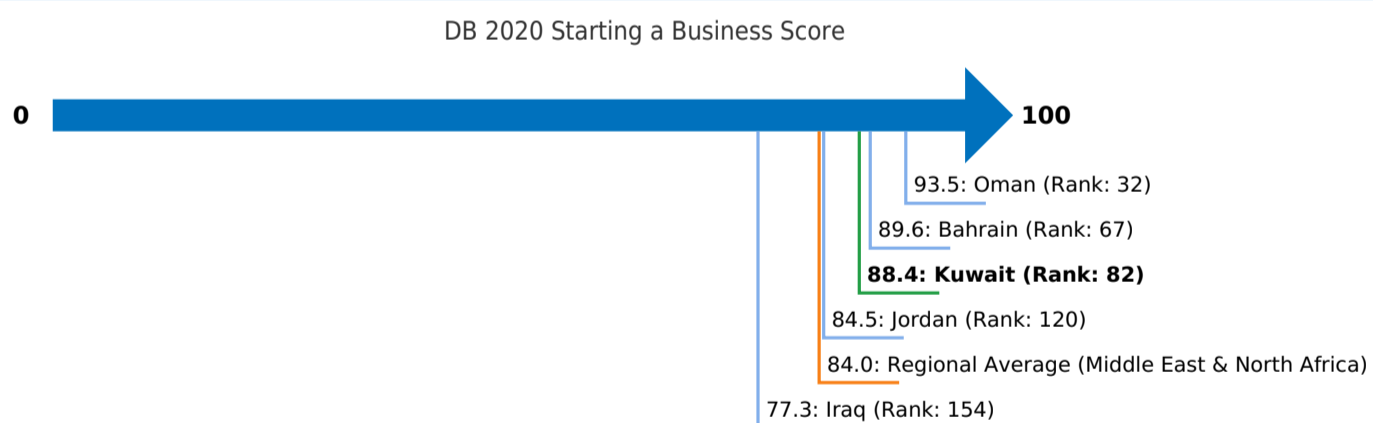
Legal form	Limited Liability company (WLL)
Paid-in minimum capital requirement	No minimum
City Covered	Kuwait City

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Procedure - Men (number)	5	6.5	4.9	1 (2 Economies)
Time - Men (days)	19	19.7	9.2	0.5 (New Zealand)
Cost - Men (% of income per capita)	1.7	16.7	3.0	0.0 (2 Economies)
Procedure - Women (number)	6	7.1	4.9	1 (2 Economies)
Time - Women (days)	20	20.3	9.2	0.5 (New Zealand)
Cost - Women (% of income per capita)	1.7	16.7	3.0	0.0 (2 Economies)
Paid-in min. capital (% of income per capita)	0.0	8.9	7.6	0.0 (120 Economies)

Figure - Starting a Business in Kuwait - Score

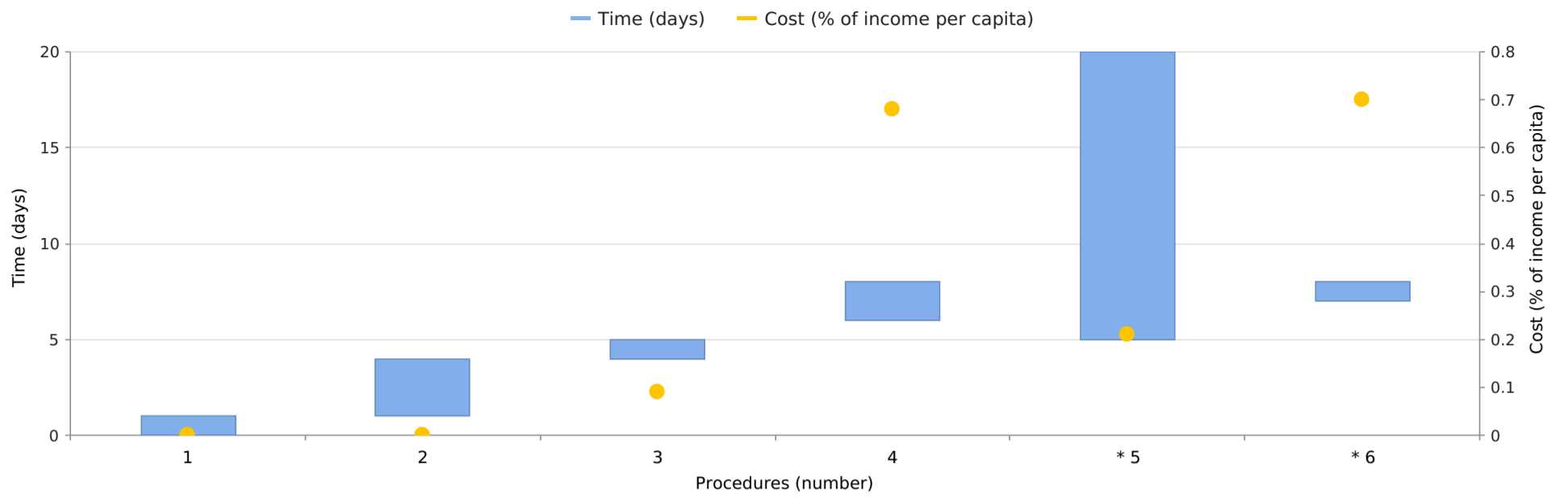


Figure - Starting a Business in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Kuwait - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Kuwait - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
♀ 1	<p>APPLIES TO WOMEN ONLY: Obtain permission to work outside the marital home <i>Agency</i> : Home</p> <p>As per Article 89 of the Personal Status Law, 1984, if a woman fails to obtain the permission/support of her husband to work outside the marital home (for example, for entrepreneurial ventures) it is possible that she may suffer consequences under the law. For example, if the husband consider that the work of his wife is against the well-being of the family, she could be considered disloyal (Nashez) and may not be entitled to financial alimony</p>	1 day	no charge
2	<p>Register at the Kuwait Business Center (KBC) <i>Agency</i> : Kuwait Business Center (KBC)</p> <p>To register, the entrepreneur must submit online a completed standard application form to the Kuwait Business Center (KBC) and submit a copy of the memorandum of association.</p> <p>The completed application must include the names of the founding partners and their respective shares; the capital, scope and objective of the company; and the name of the manager. The applicant submits the paperwork online (www.kbc.gov.kw/)</p> <p>The entrepreneur can select up to 5 potential company names during the online application.</p> <p>Once the application is approved by the KBC, the entrepreneur receives a confirmation email notifying that the license is ready. The entrepreneur can access the document online; however, the majority of entrepreneurs still visit the KBC center to pick up the original document. The KBC electronically sends information for further checking to the Ministry of the Interior and the Kuwait Fire Service Directorate.</p>	2 days to complete the registration + 1 day to get the confirmation email and go in person to KBC	no charge
3	<p>Sign and notarize the memorandum of association before the public notary of the Ministry of Justice <i>Agency</i> : Notary - Ministry of Justice</p> <p>The entrepreneur submits the draft memorandum of association along with Department of Companies' letter and the bank capital deposit certificate to the Notary Public Department at the Ministry of Justice. The officer verifies that the required documents are complete and schedules an appointment for signing before the notary public at the Company Formation Department of the Ministry of Justice, during which the memorandum of association is signed by the founding partners and notarized on the set date in 3 originals: one for the company, one for the Ministry of Justice, and one to be field with the Ministry of Commerce and Industry.</p>	1 day	KWD 2 for the first page of the Memorandum and KWD 1 for every subsequent page
4	<p>Obtain the commercial license from the Kuwait Business Center <i>Agency</i> : Kuwait Business Center</p> <p>Once the commercial registration certificate is issued, the entrepreneur obtains the commercial license from the Kuwait Business Center. The entrepreneur can apply online, through the KBC portal (http://www.kbc.gov.kw/).</p> <p>There is a full integration between the KBC platform with the Public Authority for Civil Information (PACI) and the Municipality.</p> <p>Thus, once the entrepreneur applies for the commercial business license, the company information is submitted directly and automatically from the KBC to the Municipality. The Municipality will approve internally the premises and that approval will be reflected in the commercial license.</p> <p>The commercial license must also have a civil number, which will be internally provided by the PACI to the KBC.</p>	1-2 days	KWD 80
⇒ 5	<p>Register at the Public Authority for Manpower <i>Agency</i> : Public Authority for Manpower</p> <p>The Public Authority for Manpower may inspect the premises to determine whether the size of the company premises and its business scope are commensurate with the number of employees declared at the Ministry.</p>	15 days (simultaneous with procedures 6 and 8)	KWD 25
⇒ 6	<p>Register with the Kuwait Chamber of Commerce and Industry <i>Agency</i> : Chamber of Commerce</p> <p>The company must apply for membership at the Chamber of Commerce and Industry by submitting copies of its commercial license and memorandum of association, and filling out a specimen signature form signed by the company's authorized signatories. The membership is a pre-requisite to dealing with other government authorities, banks and participation in public tenders.</p>	1 day (simultaneous with procedures 6 and 7)	KWD 82 for registration and KWD 55 for annual renewal

♀Applies to women only.

⇒Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2019. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> • Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates • Submitting all required notifications and receiving all necessary inspections • Obtaining utility connections for water and sewerage • Registering and selling the warehouse after its completion <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes <p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> • Quality of building regulations (0-2) • Quality control before construction (0-1) • Quality control during construction (0-3) • Quality control after construction (0-3) • Liability and insurance regimes (0-2) • Professional certifications (0-4) 	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p> <p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts. - Owns the land on which the warehouse will be built and will sell the warehouse upon its completion. <p>The warehouse:</p> <ul style="list-style-type: none"> - Will be used for general storage activities, such as storage of books or stationery. - Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita. - Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures. - Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements). <p>The water and sewerage connections:</p> <ul style="list-style-type: none"> - Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built. - Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day. - Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

Dealing with Construction Permits - Kuwait

Standardized Warehouse

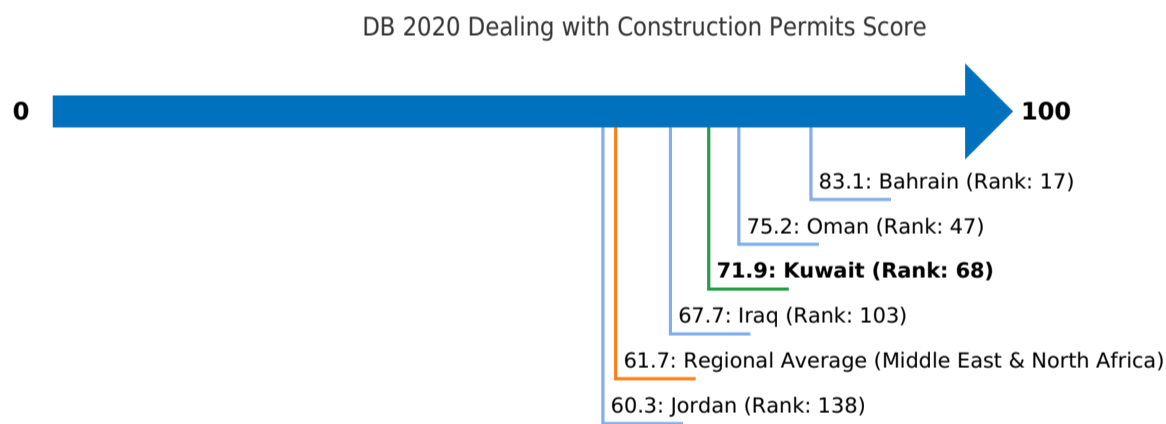
Estimated value of warehouse	KWD 584,951.70
City Covered	Kuwait City

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Procedures (number)	19	15.7	12.7	None in 2018/19
Time (days)	103	123.6	152.3	None in 2018/19
Cost (% of warehouse value)	5.5	4.4	1.5	None in 2018/19
Building quality control index (0-15)	14.0	12.5	11.6	15.0 (6 Economies)

Figure - Dealing with Construction Permits in Kuwait - Score

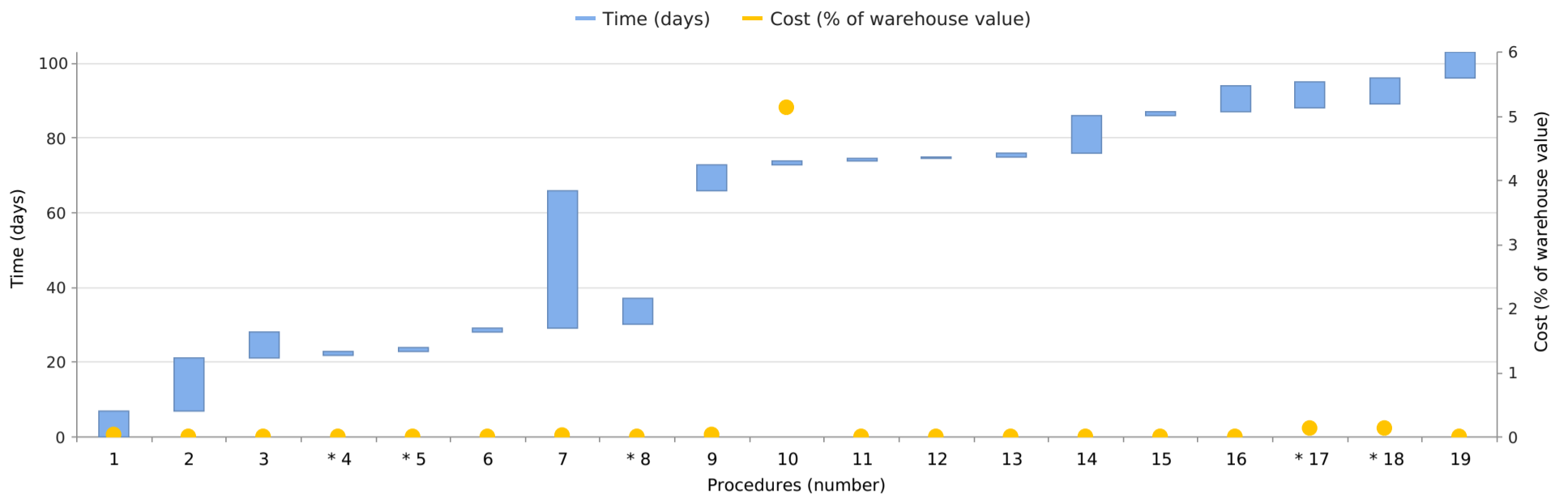


Figure - Dealing with Construction Permits in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

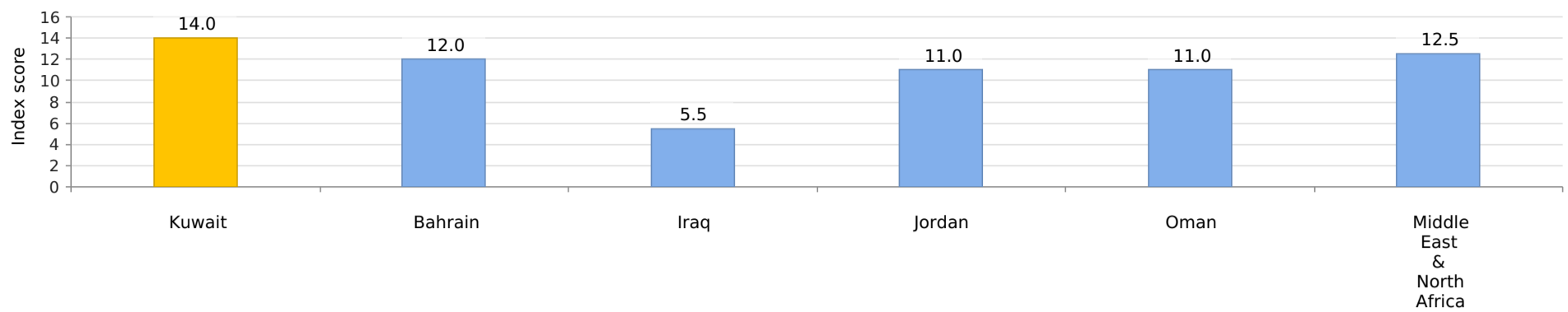
Figure - Dealing with Construction Permits in Kuwait - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Kuwait and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Kuwait - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Conduct soil test with private laboratory <i>Agency : Private Laboratory</i> The soil test is no longer required to be submitted as part of the building permit application, however it must be submitted within three months of obtaining the permit and before starting the construction. In practice this is done early in the process as the soil test is required to design the foundation of the building.</p>	7 days	KWD 200
2	<p>Submit drawings and receive certificate from the Public Authority for Industry (PAI) <i>Agency : Public Authority for Industry (PAI)</i> Since the warehouse will be used for storage, BuildCo must submit the project drawings to the Public Authority for Industry (PAI) using the online system. PAI will then review the drawings and issue an approval certificate. Submission of drawings to PAI is required for any construction that will be used for storage or industrial activities. A copy of the government’s lease agreement is needed.</p>	14 days	no charge
3	<p>Obtain lot plan with site map from the Municipal Authority <i>Agency : Municipality of Kuwait</i> BuildCo must obtain lot plan and the site map which determine the zoning of the plot. The request is done physically at the Urban Planning Department (UPD) of the Kuwait Municipality. This involves designating permitted uses of land based on mapped zones which separate one set of land uses from another (e.g. residential, industrial, recreational, etc). Once an area has been “zoned” (e.g. for industrial use), the location of an actual project / industry within the zone has to be approved by the Municipality. The documents that need to be submitted include: - Area plans - Level plans - Sector plans - Floor plans - Boundaries - Sanitary certificate - Contract with the client - Civil IDs - Land deed - Electrical drawings - Mechanical drawings - Fire safety drawings - Master plan approval - Architectural drawings If a change needs to be made, the process has to be started from the beginning.</p>	7 days	KWD 5
⇒ 4	<p>Request and obtain electricity and water plans approval from Ministry of Electricity and Water <i>Agency : Ministry of Electricity and Water</i> According to No. 30/2012 issued by Kuwait Municipality on August 2012, the building permit will not be granted unless the Ministry of Electricity and Water (MEW) gives its approval on the electric supply. A site inspection must be conducted before the approval can be issued. MEW is understaffed and therefore, it can take anywhere from 1 week to 1 month for the site inspection to happen. Approval of the plans can take 1-2 months after the inspection takes place.</p>	1 day	no charge
⇒ 5	<p>Request sewage plans approval (sanitary certificate) from Ministry of Public Works <i>Agency : Ministry of Public Works</i> BuildCo must request approval of sewage plans from the Ministry of Public Works. Upon approval, the Ministry will issue a sanitary certificate. A site inspection must be conducted before the certificate is issued.</p>	1 day	no charge
6	<p>Receive sewage inspection from Ministry of Public Works <i>Agency : Ministry of Public Works</i></p>	1 day	no charge

7	<p>Obtain approval of plans from Kuwait Fire Services Directorate <i>Agency</i> : Kuwait Fire Services Directorate BuildCo submits the following documents online for approval:</p> <ul style="list-style-type: none"> - Architectural design - Ventilation design - Elevators design - Hazard sector plans - Alarm system plans 	37 days	KWD 100
⇒ 8	<p>Obtain sewage plans approval from Ministry of Public Works <i>Agency</i> : Ministry of Public Works</p>	7 days	no charge
9	<p>Request and obtain building permit <i>Agency</i> : Municipality of Kuwait The initial packet of documents needs to be submitted electronically to the Municipality. Most of the documents are submitted as scanned copies. The website for submission is: www.baladiya.gov.kw</p> <p>BuildCo must submit Application Form 1 for a building license and attach the following documents (including the documents described in the procedures above):</p> <ul style="list-style-type: none"> • A copy of the deed of title to the land, allocation decree, or lease agreement. In the case of an allocation decree or lease agreement, a recent rent receipt must be submitted. • A copy of the architectural contract between BuildCo and an accredited engineering firm responsible for the architecture of the building • Scanned letter of the zoning approval • Original soil test report • Approval from the Fire and Safety Department • Approval from the Roads Department, if underground parking is included (which does not apply to the warehouse project) • Scanned Form 2, Undertaking of compliance of the plans with the buildings codes and cadastres, which should be signed and submitted (by an engineering firm) • Scanned Form 3, Undertaking of compliance with the construction plans, which should be signed and submitted (by an engineering firm) • Civil ID of the owner • Undertaking to provide specific plans (done by an engineering firm) that meet the requirements of: <ol style="list-style-type: none"> 1. The Ministry of Electricity and Energy for the electric supply. 2. The Ministry of Public Works for the sewerage system. These documents are scanned and uploaded electronically. <p>Once approved, the private engineer receives a notification that the building permit is approved.</p>	7 days	KWD 200
10	<p>Hire an external firm/engineer to supervise construction <i>Agency</i> : Private Firm</p>	1 day	KWD 30,000
11	<p>Submit site take-over letter (supervision commitment license) <i>Agency</i> : Municipality of Kuwait BuildCo submits online a site take-over letter and attach the following documents:</p> <ul style="list-style-type: none"> • A copy of the construction license • An undertaking from BuildCo that it shall carry out the construction work on the warehouse or, alternatively, that it has a construction contract with a contractor. In case of a construction contract with a contractor, a copy of the performance bond should be submitted. • An undertaking from an accredited supervising engineer to supervise the construction approved by the municipality. 	0.5 days	KWD 16
12	<p>Submit final report and the file of cadastral measure of the structure to the Municipality for approval <i>Agency</i> : Municipality of Kuwait BuildCo prepares the end of supervision commitment report with the supervising engineer's signature and the file of cadastral measure of the structure and submits them to Kuwait Municipality. The file will be reviewed by the Engineering Supervisor (an employee of the Kuwait Municipality) to ensure it contains all the required documentation and information. The file can be submitted online.</p> <p>Kuwait Municipality will then conduct a final inspection to ensure that the construction has been carried out to the necessary specifications (as per the building plans submitted and approved) and complies with the relevant constructions regulations entirely.</p> <p>Once the Kuwait Municipality is satisfied with the information and documentation concerning the building's specifications and construction works, it will grant the necessary approvals.</p>	0.5 days	KWD 10
13	<p>Receive final inspection from the Municipality <i>Agency</i> : Municipality of Kuwait The municipality inspects the buildings to ensure compliance with the drawings.</p>	1 day	no charge

14	Receive final approval certificate from Municipality <i>Agency</i> : Municipality of Kuwait Once the final inspection is carried out, BuildCo typically receives the final approval certificate from the Municipality within a week. The Municipality then forwards the certificate of no objection to the Ministry of Electricity and Water, the Kuwait Fire Services Directorate and the Ministry of Public Works.	10 days	no charge
15	Receive inspection from the Kuwait Fire and Safety Department <i>Agency</i> : Kuwait Fire and Safety Department Upon conducting a final inspection, the Kuwait Fire and Safety Department will issue a certificate of fire and panic safety.	1 day	KWD 5
16	Obtain certificate of fire and panic safety from the Kuwait Fire and Safety Department <i>Agency</i> : Kuwait Fire and Safety Department After the inspection from KFSD is done and the building deemed compliant, BuildCo receives the Certificate of Fire and Panic.	7 days	no charge
⇒ 17	Obtain water connection <i>Agency</i> : Ministry of Electricity and Water After the final approval certificate is issued, the Kuwait Municipality sends a letter to the Ministry of Electricity and Water to do the water connection.	7 days	KWD 750
⇒ 18	Obtain sewage connection <i>Agency</i> : Ministry of Public Works After the final approval certificate is issued, the Kuwait Municipality sends a letter to the Ministry of Public Works to do the sewage connection.	7 days	KWD 750
19	Obtain commercial license from Ministry of Commerce <i>Agency</i> : Ministry of Commerce BuildCo must obtain a commercial license from the Ministry of Commerce certifying that building is for commercial use. Without this license, the warehouse cannot become operational.	7 days	no charge

⇒Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Kuwait - Measure of Quality

	Answer	Score
Building quality control index (0-15)		14.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by external engineer or firm; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice; Inspections are not mandated by law but commonly occur in practice during construction.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Yes, external engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		2.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance ; Architect or engineer.	1.0
Professional certifications index (0-4)		4.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; Being a registered architect or engineer; Passing a certification exam.	2.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management; Being a registered architect or engineer; Passing a certification exam.

2.0

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor in the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

Getting Electricity - Kuwait

Standardized Connection

Name of utility	Ministry of Electricity and Water (MEW)
Price of electricity (US cents per kWh)	0.7
City Covered	Kuwait City

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Procedures (number)	5	4.4	4.4	3 (28 Economies)
Time (days)	49	63.5	74.8	18 (3 Economies)
Cost (% of income per capita)	55.7	419.6	61.0	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	4.4	7.4	8 (26 Economies)

Figure - Getting Electricity in Kuwait - Score

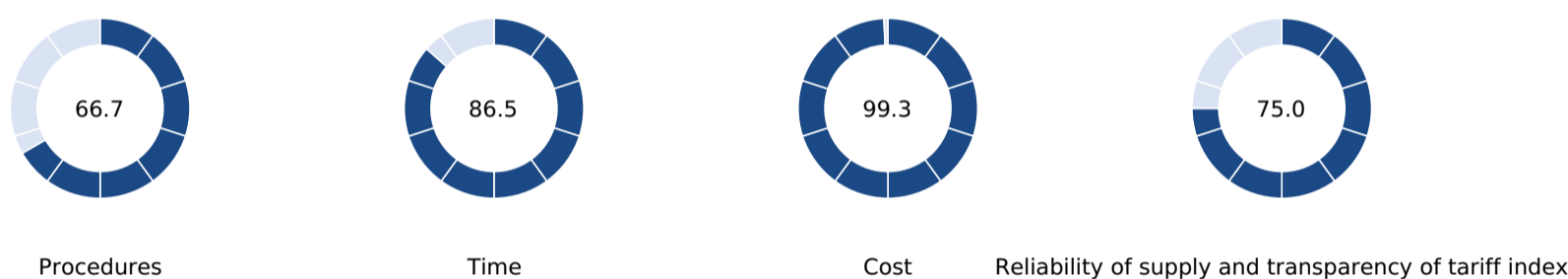
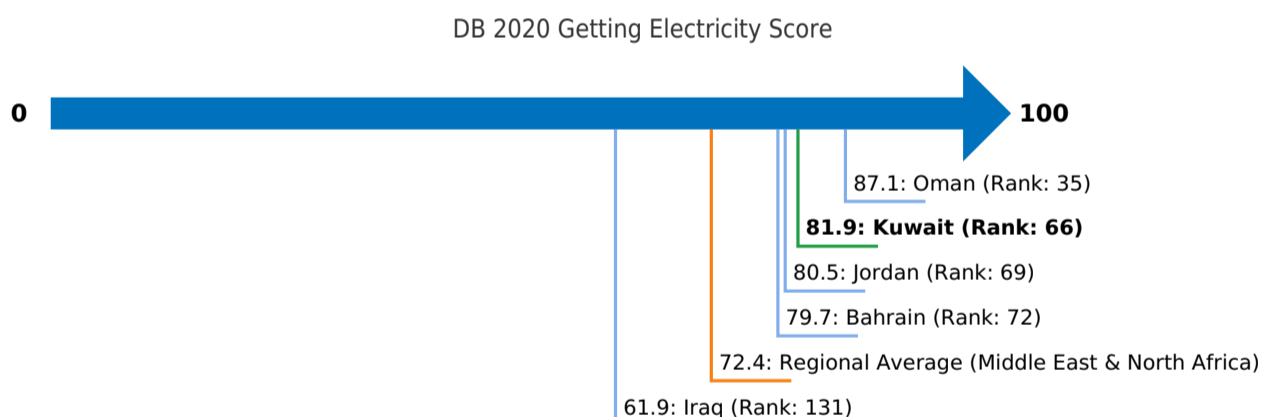
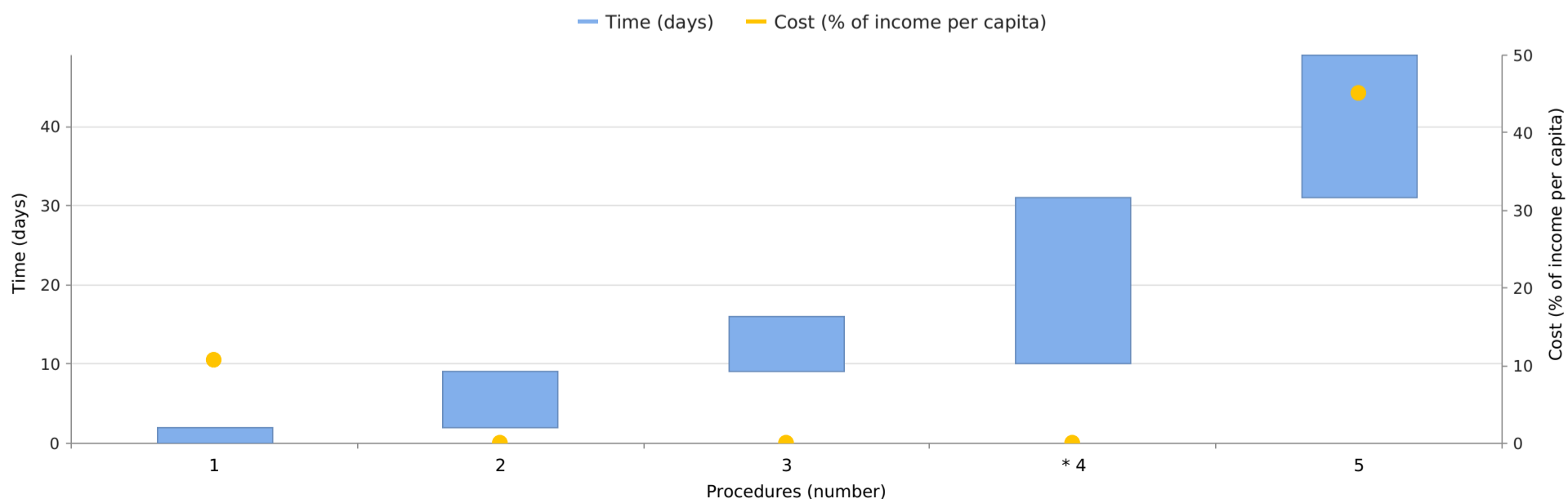


Figure - Getting Electricity in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

Figure - Getting Electricity in Kuwait - Procedure, Time and Cost

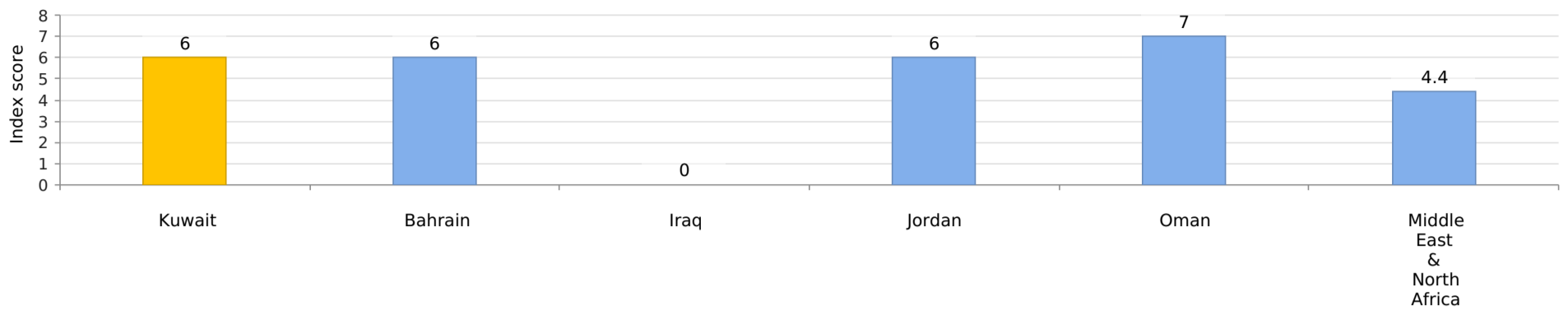


*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures

reflected here, see the summary below.

Figure - Getting Electricity in Kuwait and comparator economies - Measure of Quality



Details - Getting Electricity in Kuwait - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Hire licensed electrical engineer to prepare study of electrical load and power requirement <i>Agency</i> : Electrical engineer licensed by the Ministry of Electricity and Water (MEW) The client hires an engineering consulting firm that is approved by the union of engineers and that has a Supervision Engineer licensed by MEW. The consulting firm (i.e. contractor), will then study and estimate the electrical load and power requirement of the project so as to obtain MEW's approval/authorization for availability of electricity supply (see procedure below). The fees vary depending on the prices set by the contractor.</p>	2 calendar days	KWD 1,250
2	<p>Submit application to Ministry of Electricity and Water and await estimate <i>Agency</i> : Ministry of Electricity and Water (MEW) The client submits an application to the Distribution department of MEW to get the approval/authorization of electricity supply. The client needs to submit: - The study and estimate done by the consulting firm in Procedure 1. - 3 copies to the concerned governorate engineer of the electrical distribution network (EDN) department requesting approval/authorization for the electricity supply - Copy of the application after necessary approval duly signed and stamped by the governorate engineer - Licenses of construction</p> <p>The request can be submitted online through the following link:https://portal.mew.gov.kw/ All forms can be also submitted online. The customer will receive the approval online.</p>	7 calendar days	KWD 0
3	<p>Obtain "no objection" letter from municipality <i>Agency</i> : Municipality After completing the building works and obtaining the approval of the municipality, the applicant will need to apply for a no-objection letter from the municipality. The municipality will then send the letter electronically to the Ministry of Electricity and Water (MEW) so the latter can install the meter and turn on supply of electricity to the project.</p>	7 calendar days	KWD 0
⇒ 4	<p>Submit final electrical drawings for approval and obtain inspection of internal wiring <i>Agency</i> : Ministry of Electricity and Water (MEW) During or after execution of the internal wiring the client's licensed engineer will need to submit the final electrical drawings related to the internal wiring for approval to the Electrical Installation Department of the Ministry. These drawings include air-conditioning, lighting and all other electrical equipment, electrical mains, switches, cable sizes, circuit breakers and fuses. The client will also need to submit a load form in order to obtain inspection of internal wiring and final connection. The load form will then be handed over to the applicant themselves. If the applicant is a company, the form will be handed over to an authorized staff of the company. The approval itself is granted after a couple of weeks, but is obtained in parallel with the external works. The inspection however, happens only after the Ministry of Electricity and Water (MEW) has obtained the letter of no-objection from the municipality. If the drawings meet the Ministry's specifications, then inspectors from the Electrical Installation Department of the Ministry will inspect the internal installation (size of cables, type of fuses, cable connection process and installation of main panels and sub-panels inside and outside the warehouse). The engineer also needs to submit approvals from the Municipality and the Kuwait Fire Department. The Municipality will also check that plans are actually corresponding to latest drawings.</p>	21 calendar days	KWD 0
5	<p>Obtain external works from Electrical Installation Department <i>Agency</i> : Ministry of Electricity and Water (MEW) Once the drawings are approved, the client needs to pay the fees of the project to Ministry of Electricity & Water (MEW) for the power supply connection. This cost is for the equipment supplied by the ministry. The payment is done online. The estimation department then gives the green light to the Electrical Distribution Networks Department so that external works can be started. External works are designed and carried out by the Electrical Distribution Networks Department of MEW. A 140-kVA load can be supplied from an existing distribution sub-station in the area, if capacity is available. In the absence of the infrastructure facilities, the holder of the license can allocate a space on the plot not exceeding 5x5 m² for the MEW to install an electrical transformer to provide additional power to the plot. Having the transformer installed will not result in additional cost to the customer. The former scenario is however, the more likely one for the assumed case.</p> <p>As for the meter installation, upon payment of the fees, the consumer affairs department of MEW automatically receives a request to hand over the required meter to the Department of Electrical Distribution Network. The meter is then delivered by the Ministry's staff to the client's site after notifying the client by SMS or email about the time of installation.</p>	18 calendar days	KWD 5,269.96

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Kuwait - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	3
System average interruption duration index (SAIDI)	0.1
System average interruption frequency index (SAIFI)	0.4
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	0
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	No
Financial deterrents aimed at limiting outages (0-1)	0
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	No
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	https://www.mew.gov.kw/ NewTariff.aspx
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0-6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0-8)
- Equal access to property rights index (-2-0)

Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban (that is, on the outskirts of the city but still within its official limits) area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone (that is, on the outskirts of the city but still within its official limits), and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

Registering Property - Kuwait

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Procedures (number)	7	5.4	4.7	1 (5 Economies)
Time (days)	17	26.6	23.6	1 (2 Economies)
Cost (% of property value)	0.5	5.6	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	18.5	14.6	23.2	None in 2018/19

Figure - Registering Property in Kuwait - Score

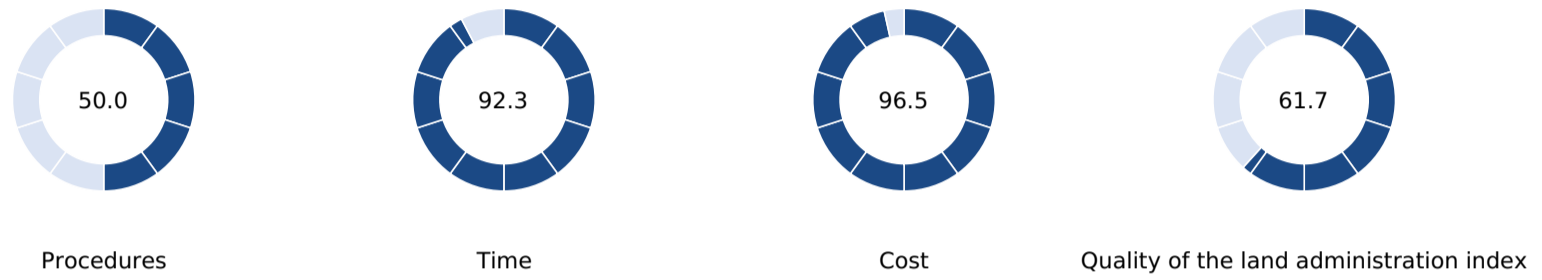
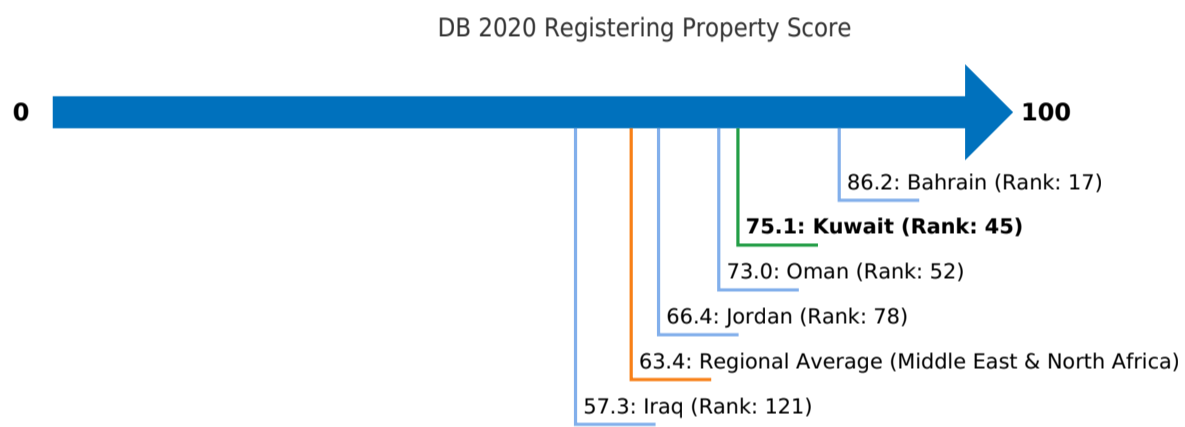
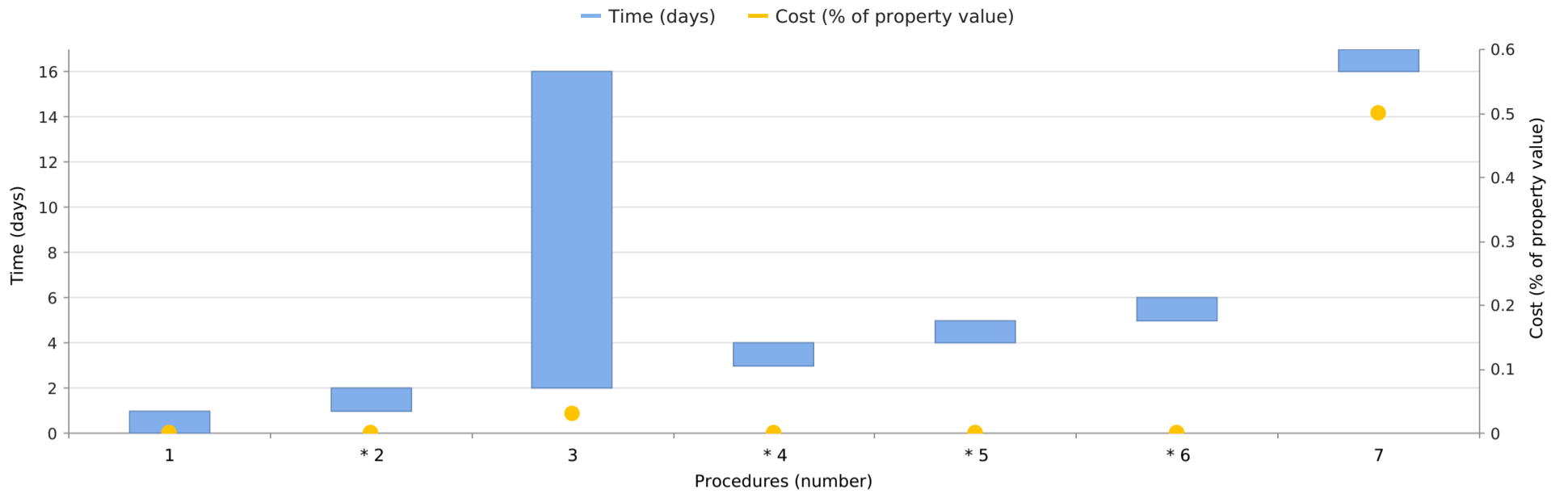


Figure - Registering Property in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

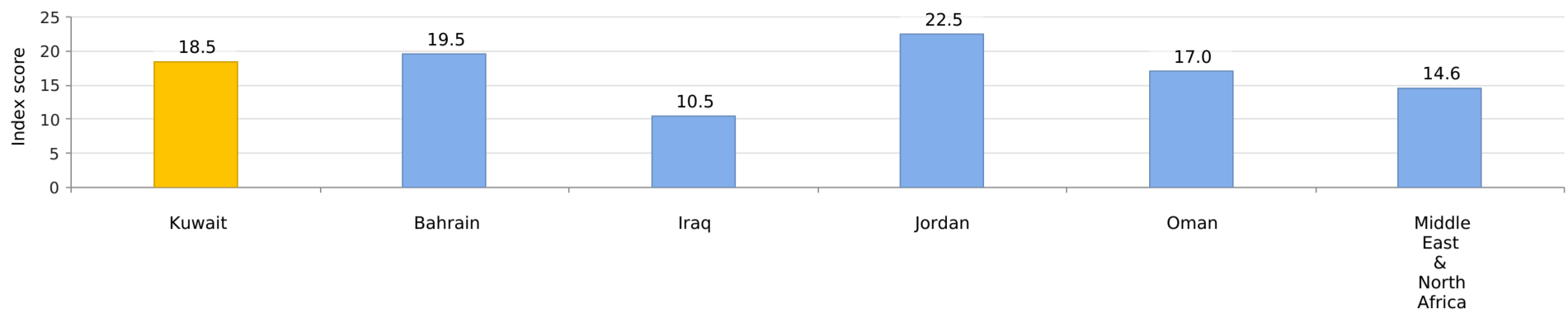
Figure - Registering Property in Kuwait - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Kuwait and comparator economies - Measure of Quality



Details - Registering Property in Kuwait - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
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1	<p>Apply for property transfer at the Real Estate Registration Office at the Ministry of Justice <i>Agency</i> : Real Estate Registration Office at the Ministry of Justice A seller (or a designated third party with authorization from the seller) submits an application to transfer of property together with a preliminary sale/purchase agreement at the Real Estate Registration Office of the Ministry of Justice. Other documents include Civil IDs of both seller and buyer, Articles of Association (if these are two companies) and the original deed. The Real Estate Registration Office reviews the submitted documents and authorizes the deal. Once approved, the Real Estate Registration Office issues a letter to request the Municipality to issue the cadastral description certificate.</p>	1 day	no charge
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→ 2	<p>Apply for the Cadastral Description Certificate (Shahadat Al-Awsaf) from the Municipality <i>Agency</i> : Kuwait City Municipality The seller must request a Cadastral Description Certificate from the Municipality providing the details of the property in question (i.e. its size, the developments on it, the zoning, etc) and confirming that the property is in compliance with all the Municipality regulations. This document is prepared following an inspection of the property by an architect of the Municipality.</p>	1 day	KWD 10
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The warehouse is likely to be in one of the following areas: Shuwaikh, Sulaibiya, Sabhan, Al Rai, Anghara and Ardiya. This is however not an exclusive list. The Kuwait Municipality, which is the authority responsible for zoning, may authorize the construction of a warehouse in an area that is not ordinarily used for warehousing.

The documentation shall include:

- Application from the seller on the selling company's letterhead
- Copy of the deed of title of the property provided by the seller
- A letter issued by the Real Estate Registration Office
- Documents proving the authority of the person submitting the application on behalf of the seller

The Cadastral Description Certificate will also include among other things: any violations that the property has incurred (e.g. non-maintenance of the property, or encroachment of the property borders on neighboring plots), any violations of the structure (e.g. if the building does not meet the fire regulations), usage of the plot (e.g. for commercial or residential purpose). Any licenses granted to the plot (e.g. license to have machinery brought onto the property to be used on the plot) and drawings of the plot and structures approved from the Municipality showing the areas and utilization of the plot.

3	<p>Inspection of the property by an architect representing the Municipality <i>Agency</i> : Kuwait City Municipality The Municipality will send out an inspector/architect to inspect the property in question and collect the relevant information; after which the Municipality will issue the Cadastral Description Certificate and transfer the same along with a letter of no objection to the transfer to the Ministry of Justice to continue the process of the property transfer.</p>	14 days	KWD 150
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The process is typically as follows: the seller will go to the Municipality (with jurisdiction over the location of the warehouse to be sold) to submit an application for an allocation letter (specifying the size of the plot and the buildings on it if any) and a description certificate (description of the existing buildings if any on the plot and size/use of such building). The fee to be paid for these documents is KD150 (for a commercial property). The seller concurrently delivers the warehouse's title deed to the Municipality against a receipt thereof. The engineer/architect responsible for the area then fixes a date to meet with the seller at the warehouse to carry out the inspection, or may alternatively carry out the inspection on his own. Meanwhile, the seller should obtain clearance from the utility authorities (i.e. electricity, water and telephone). When the Municipality engineer completes the inspection (verifies the deed against the actual plot of land and stores report at the Municipality) and the Municipality has issued the descriptions certificate and the allocation letter for the property, the seller will be issued with a receipt with a reference number from the Municipality with which the seller will receive the original title deed, the allocation letter and the descriptions certificate from the Real Estate Registry Division at the Ministry of Justice.

⇒ 4	Obtain clearance from the Ministry of Communications <i>Agency : Ministry of Communications</i> The Seller must obtain a clearance from the Ministry of Communications (necessary for all types of properties both commercial and residential). The clearance is to confirm that the previous owner/seller has settled all related utility bills.	1 day	no charge
⇒ 5	Obtain clearance from the Ministry of the Electricity regarding outstanding electricity bills <i>Agency : Ministry of Electricity and Water</i> Parties obtain a certificate of Ministry of Electricity and Water that there are no outstanding electricity bills or other dues to the Ministry.	1 day	no charge
⇒ 6	Obtain a certificate from the Ministry of Commerce and Industry evidencing the signatory authority of the legal representative of the parties <i>Agency : Ministry of Commerce and Industry</i> Parties obtain a certificate from the Ministry of Commerce and Industry evidencing the signatory authority of the legal representative of the parties who will sign the sale agreement, together with copies of their civil identification cards, in order to check that the companies are authorized to buy or sell property in their Articles of Association. They obtain Form I "Undertaking & Acknowledgement" and Form IX "Acknowledgement of the Representative" from the Department of Commercial Companies at the Ministry of Commerce and Industry, that must be submitted for registration in Procedure 6. Form I shows that the parties exist and have the power to conclude the sale/purchase transaction in accordance with their own Article of Association. Form IX confirms the authority of their representatives who follow up the Procedures with the Department.	1 day	KWD 10
7	Pay the registration fee, sign a new deed, and register the name of the new owner <i>Agency : Real Estate Registration Office at the Ministry of Justice</i> Once the Cadastral Description Certificate is issued by the Municipality, the parties receive a phone text message to visit the Ministry of Justice to complete the transaction. The parties must appear in person, or through their attorneys, to sign the deed before the notary public. The notary public is a governmental employee at the Ministry of Justice. The documentation includes the original deed, IDs of seller and buyer, the Cadastral Description Certificate from the Municipality and the preliminary sale agreement. The notary public reviews the documents, verifies the contents of the written agreement (a form commonly prescribed by the Ministry of Justice) and authenticates the required signatures. The sale agreement is used as the deed of title. An original of the sale agreement is provided to the buyer. It is printed on the official authorized paper and is stamped. The 0.5% registration fee is paid before the parties sign the notarized sale agreement. The notary public delivers the notarized sale agreement to the Contracts Control Department for it to be recorded under the name of the buyer. All the procedures are completed by the one notary.	1 day	KWD 2,929.76; (0.5% of property value (registration fee) + KWD 5 for the stamp)

⇒ Takes place simultaneously with previous procedure.

Details - Registering Property in Kuwait - Measure of Quality

	Answer	Score
Quality of the land administration index (0-30)		18.5
Reliability of infrastructure index (0-8)		3.0
Type of land registration system in the economy:	Deed Registration System	
What is the institution in charge of immovable property registration?	Real Estate registration and authentication department of the the Ministry of Justice	
In what format are past and newly issued land records kept at the immovable property registry of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there a comprehensive and functional electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Municipality	
In what format are past and newly issued cadastral plans kept at the mapping agency of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		2.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Only intermediaries and interested parties	0.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://www.moj.gov.kw/AR/pages/eStateForms.aspx https://www.moj.gov.kw/AR/pages/DeptProcedure.aspx?ItemID=154	
Is the applicable fee schedule for any type of property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://www.moj.gov.kw/AR/pages/eservice10.aspx https://www.moj.gov.kw/AR/pages/DeptProcedure.aspx?ItemID=154	
Does the agency in charge of immovable property registration agency formally commit to deliver a legally binding document that proves property ownership within a specific timeframe –and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	https://www.moj.gov.kw/AR/pages/DeptProcedure.aspx?ItemID=154	
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		

Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	Yes	0.5
Number of property transfers in the largest business city in 2018:	518.0	
Who is able to consult maps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	http://www.baladia.gov.kw/sites/ar/municipalityServices/Pages/municipalityLows/fees/61-2000.aspx?menulitem=item39&g1=demo6&g2=SubMenu11	
Does the cadastral/mapping agency formally specifies the timeframe to deliver an updated cadastral plan—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0-8)		8.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Are all privately held land plots in the economy mapped?	Yes	2.0
Land dispute resolution index (0-8)		5.0
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Legal basis:	Articles 7, 8 and 9 of Law No. 5 of 1959 (as amended).	
Is the system of immovable property registration subject to a state or private guarantee?	No	0.0
Type of guarantee:		
Legal basis:		
Is there a is a specific, out-of-court compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Legal basis:		
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of government issued identity documents?	No	0.0
What is the Court of first instance in charge of a case involving a standard land dispute between two local businesses over tenure rights for a property worth 50 times gross national income (GNI) per capita and located in the largest business city?	Court of First Instance	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0

Are there publicly available statistics on the number of land disputes at the economy level in the first instance court?	Yes	0.5
Number of land disputes in the economy in 2018:	164.0	
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

Depth of credit information index (0-8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

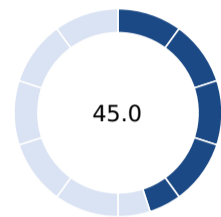
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - Kuwait

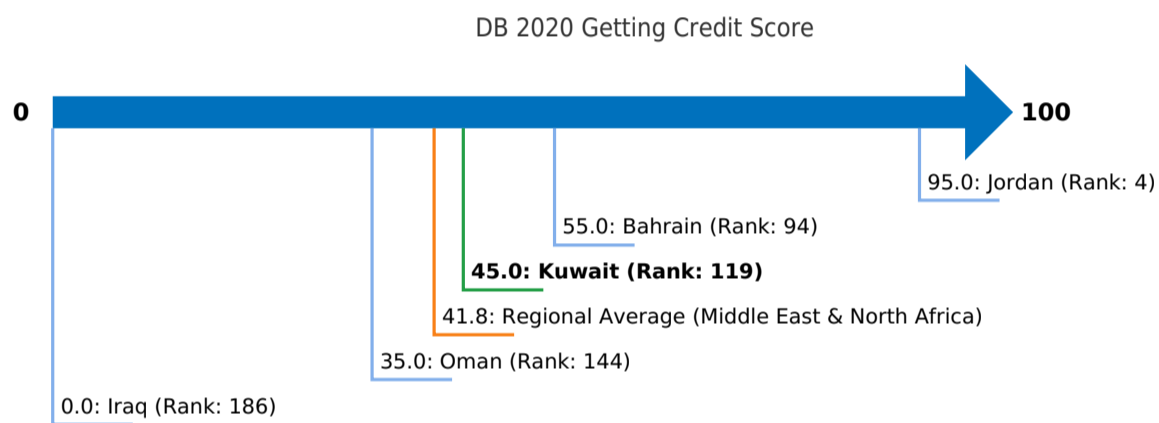
Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	1	3.1	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	5.3	6.8	8 (53 Economies)
Credit registry coverage (% of adults)	16.8	15.8	24.4	100.0 (2 Economies)
Credit bureau coverage (% of adults)	31.6	16.3	66.7	100.0 (14 Economies)

Figure - Getting Credit in Kuwait - Score



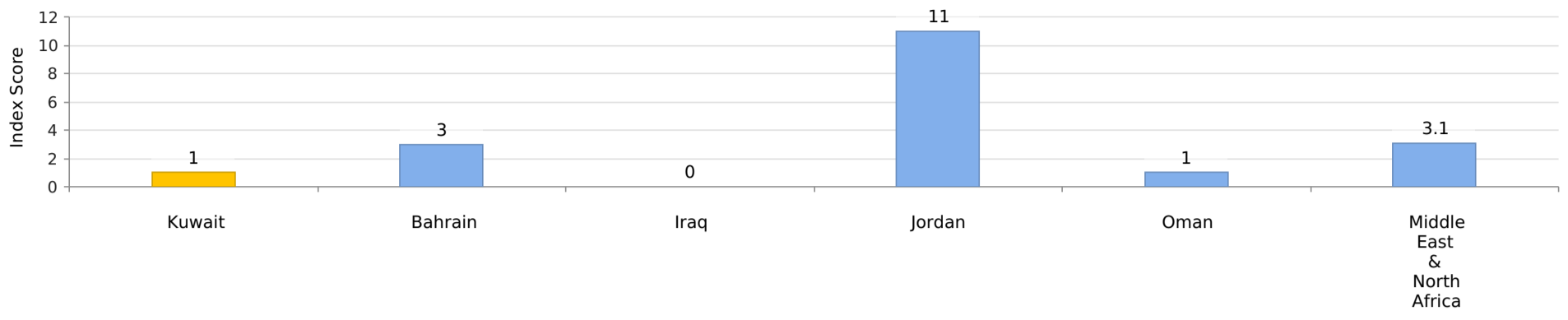
Score - Getting Credit

Figure - Getting Credit in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Kuwait and comparator economies



Details - Legal Rights in Kuwait

Strength of legal rights index (0-12)

1

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? No

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? No

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? Yes

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets? No

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? No

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? No

Does a notice-based collateral registry exist in which all functional equivalents can be registered? No

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? No

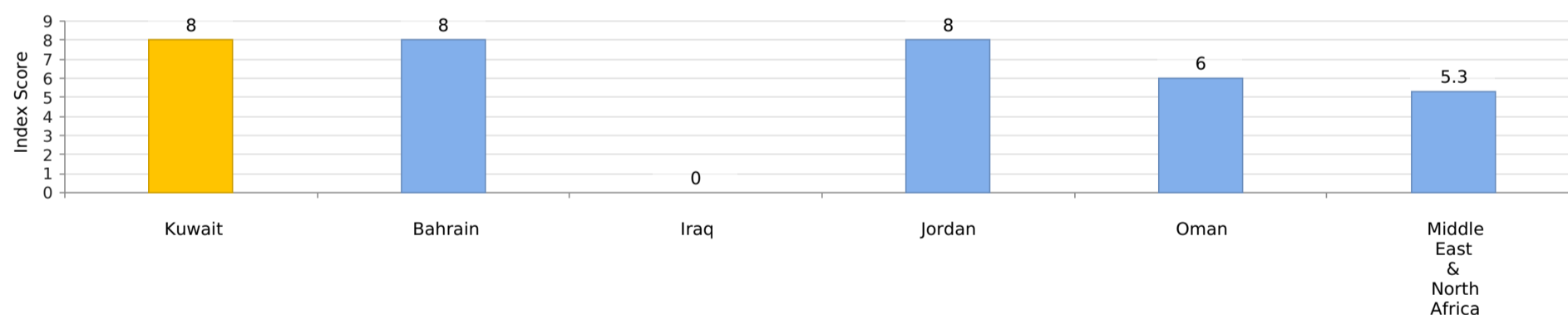
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? No

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? No

Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it? No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? No

Figure - Credit Information in Kuwait and comparator economies



Details - Credit Information in Kuwait

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	No	Yes	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	Yes	No	1
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	Yes	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	Yes	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	997,479	513,005
Number of firms	0	18,498
Total	997,479	531,503
Percentage of adult population	31.6	16.8

Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

- **Extent of disclosure index (0-10):** Disclosure, review, and approval requirements for related-party transactions
- **Extent of director liability index (0-10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, disqualification from managerial position(s) for one year or more, rescission of the transaction)
- **Ease of shareholder suits index (0-10):** Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0-30):** Sum of the extent of disclosure, extent of director liability and ease of shareholder suits indices
- **Extent of shareholder rights index (0-6):** Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-7):** Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-7):** Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0-20):** Sum of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0-50):** Sum of the extent of conflict of interest regulation and extent of shareholder governance indices

Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.
- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.
- Is a manufacturing company with its own distribution network.

The transaction involves the following details:

- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

Protecting Minority Investors - Kuwait

Stock exchange information

Stock exchange	Boursa Kuwait
Stock exchange URL	https://www.boursakuwait.com.kw
Listed firms with equity securities	175
City Covered	Kuwait City

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	5.0	6.4	6.5	10 (13 Economies)
Extent of director liability index (0-10)	9.0	4.8	5.3	10 (3 Economies)
Ease of shareholder suits index (0-10)	4.0	4.7	7.3	10 (Djibouti)
Extent of shareholder rights index (0-6)	2.0	3.2	4.7	6 (19 Economies)
Extent of ownership and control index (0-7)	6.0	3.6	4.5	7 (9 Economies)
Extent of corporate transparency index (0-7)	7.0	3.5	5.7	7 (13 Economies)

Figure - Protecting Minority in Kuwait - Score

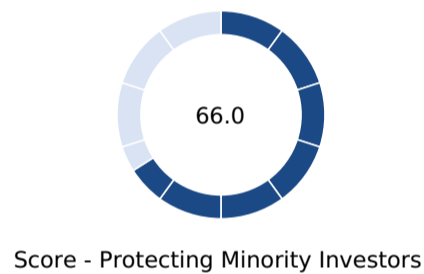
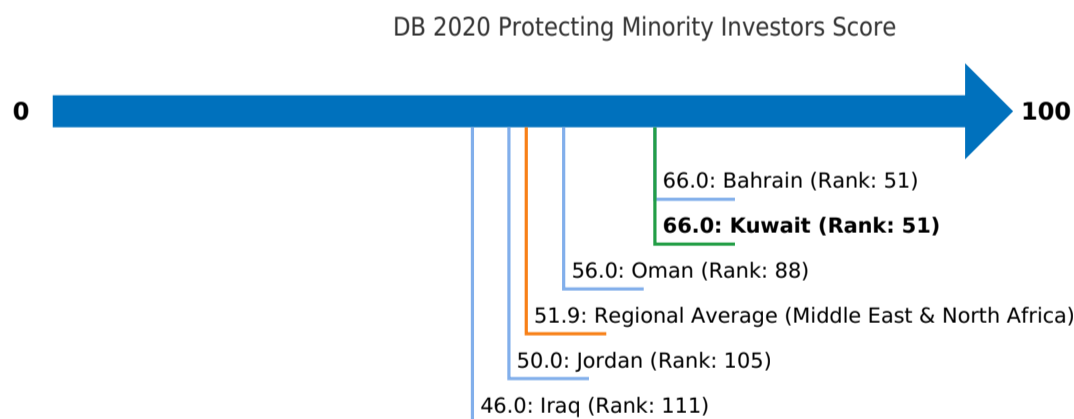
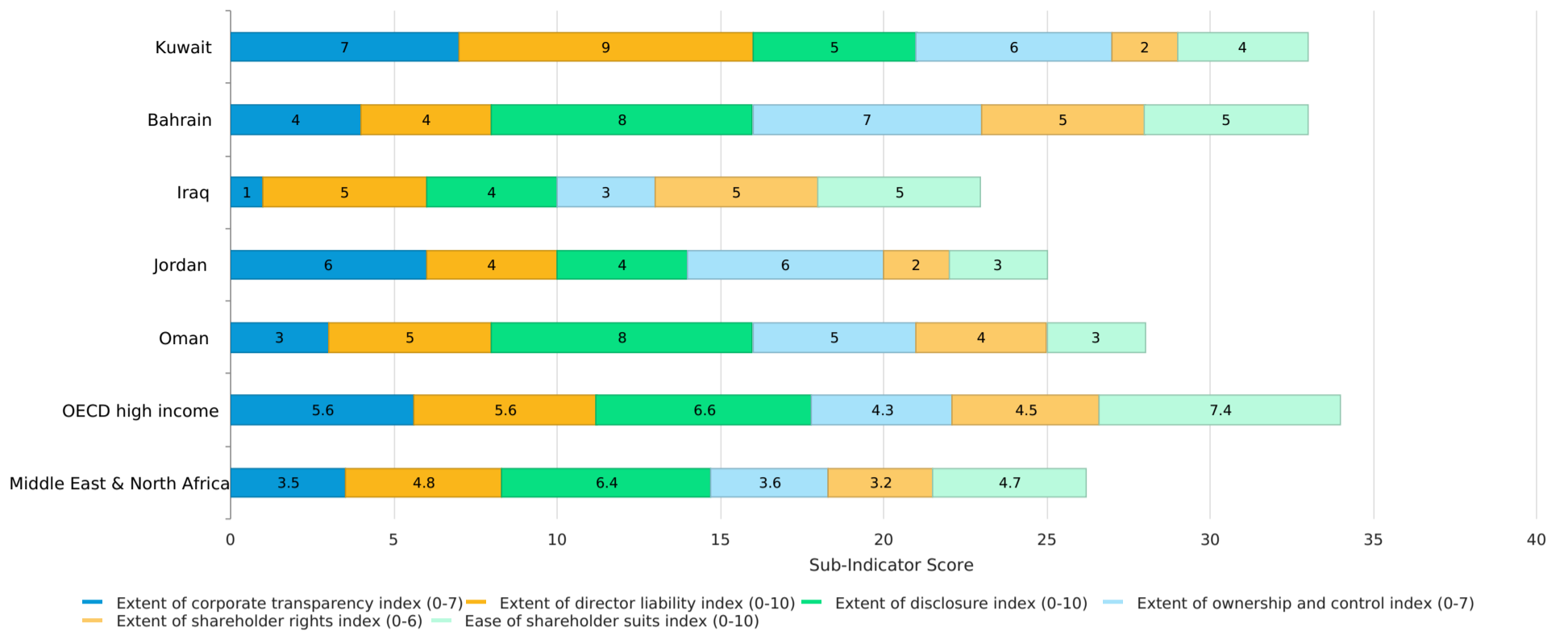


Figure - Protecting Minority Investors in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Kuwait and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Kuwait - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-30)		
Extent of disclosure index (0-10)		5.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders excluding interested parties	3.0
Must an external body review the terms of the transaction before it takes place? (0-1)	Yes	1.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	No disclosure obligation	0.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction only	1.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
Extent of director liability index (0-10)		9.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	Yes	1.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		4.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Documents that the defendant relied on	1.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	No	0.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-20)		
Extent of shareholder rights index (0-6)		2.0
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	No	0.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Do shareholders elect and dismiss the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Extent of ownership and control index (0-7)		6.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	Yes	1.0

Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Extent of corporate transparency index (0-7)		7.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2019 covering for the Paying Taxes indicator calendar year 2018 (January 1, 2018 – December 31, 2018). [See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2018 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with VAT refund (hours)
- Time to obtain VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2017. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2018). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2018, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2018.

The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - Kuwait

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Payments (number per year)	12	16.5	10.3	3 (2 Economies)
Time (hours per year)	98	202.6	158.8	49 (3 Economies)
Total tax and contribution rate (% of profit)	13.0	32.5	39.9	26.1 (33 Economies)
Postfiling index (0-100)		53.3	86.7	None in 2018/19

Figure - Paying Taxes in Kuwait - Score

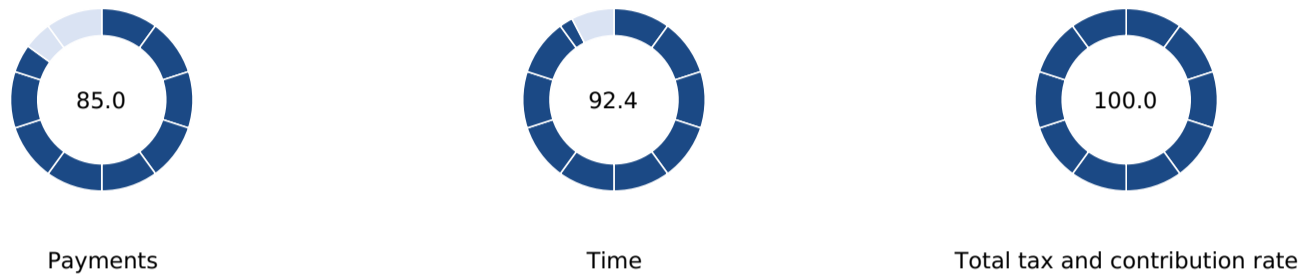
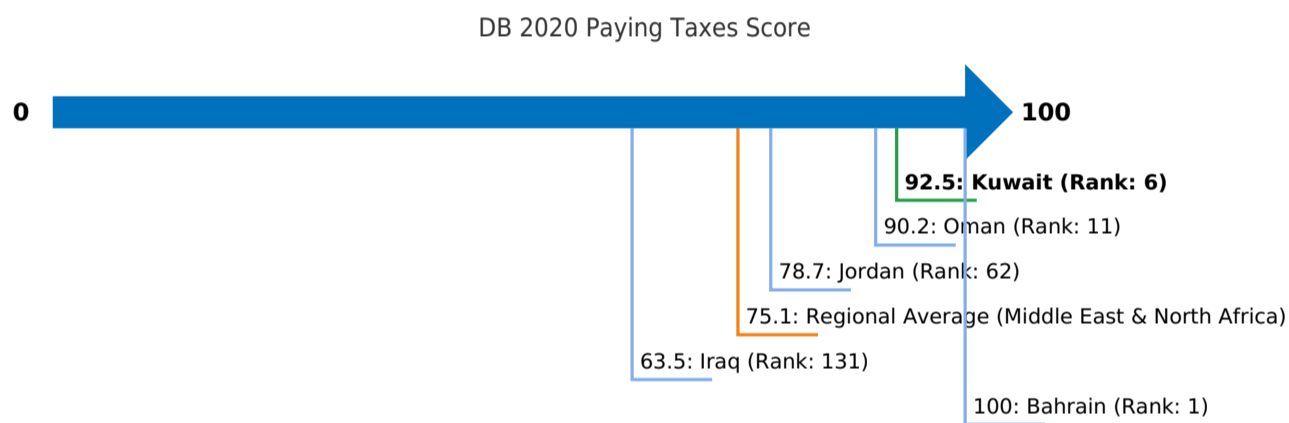
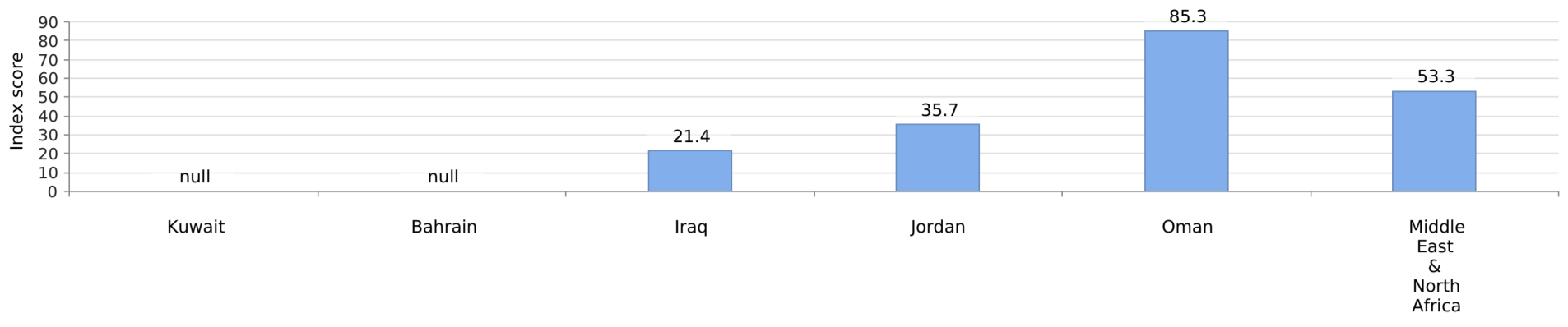


Figure - Paying Taxes in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Kuwait and comparator economies - Measure of Quality



Details - Paying Taxes in Kuwait

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Employer paid - Social security contributions	12.0		98.0	11.5%	gross salaries	12.97	
Employee paid - Social security contributions	0.0	withheld		10.5%	gross salaries	0.00	not included
Totals	12		98			13.0	

Details - Paying Taxes in Kuwait - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	0.0
Labor tax and contributions (% of profit)	13.0
Other taxes (% of profit)	0.0

Details - Paying Taxes in Kuwait - Measure of Quality

	Answer	Score
Postfiling index (0-100)		
VAT refunds		
Does VAT exist?	No	
Does a VAT refund process exist per the case study?	N/A	
Restrictions on VAT refund process	Not Applicable	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	Not Applicable	
Time to comply with VAT refund (hours)	No VAT	No VAT
Time to obtain VAT refund (weeks)	No VAT	No VAT
Corporate income tax audits		
Does corporate income tax exist?	No	
Percentage of cases exposed to a corporate income tax audit (%)	Not applicable	
Time to comply with a corporate income tax correction (hours)	No corporate income tax	No CIT
Time to complete a corporate income tax correction (weeks)	No corporate income tax	No CIT

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - Kuwait

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	84	52.5	12.7	1 (19 Economies)
Cost to export: Border compliance (USD)	665	441.8	136.8	0 (19 Economies)
Time to export: Documentary compliance (hours)	72	66.4	2.3	1 (26 Economies)
Cost to export: Documentary compliance (USD)	227	240.7	33.4	0 (20 Economies)
Time to import: Border compliance (hours)	72	94.2	8.5	1 (25 Economies)
Cost to import: Border compliance (USD)	634	512.5	98.1	0 (28 Economies)
Time to import: Documentary compliance (hours)	96	72.5	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	332	262.6	23.5	0 (30 Economies)

Figure - Trading across Borders in Kuwait - Score

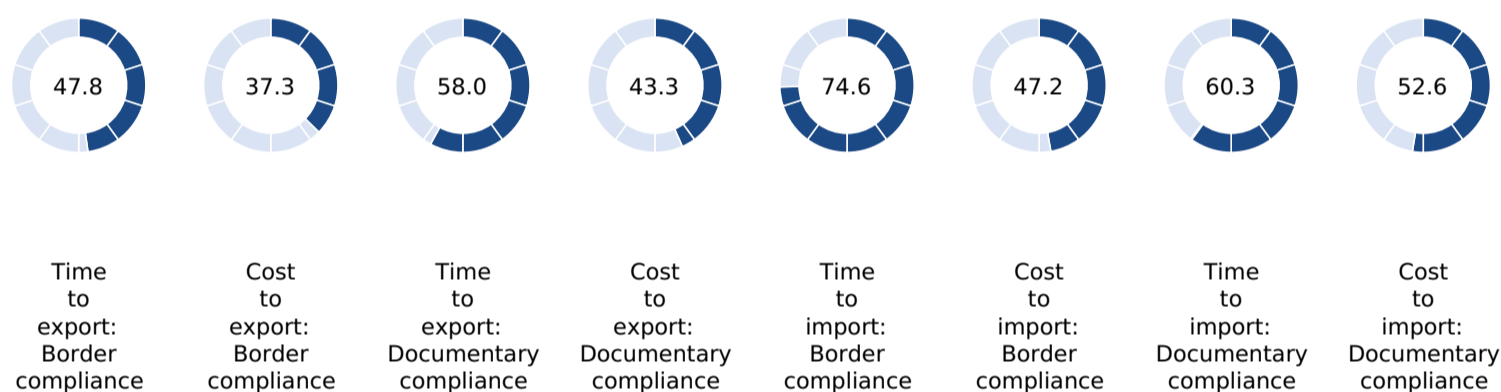
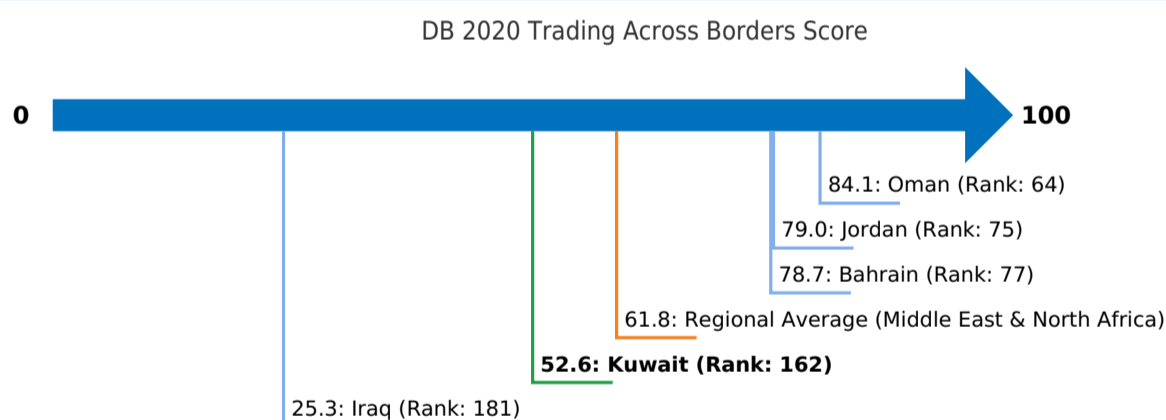
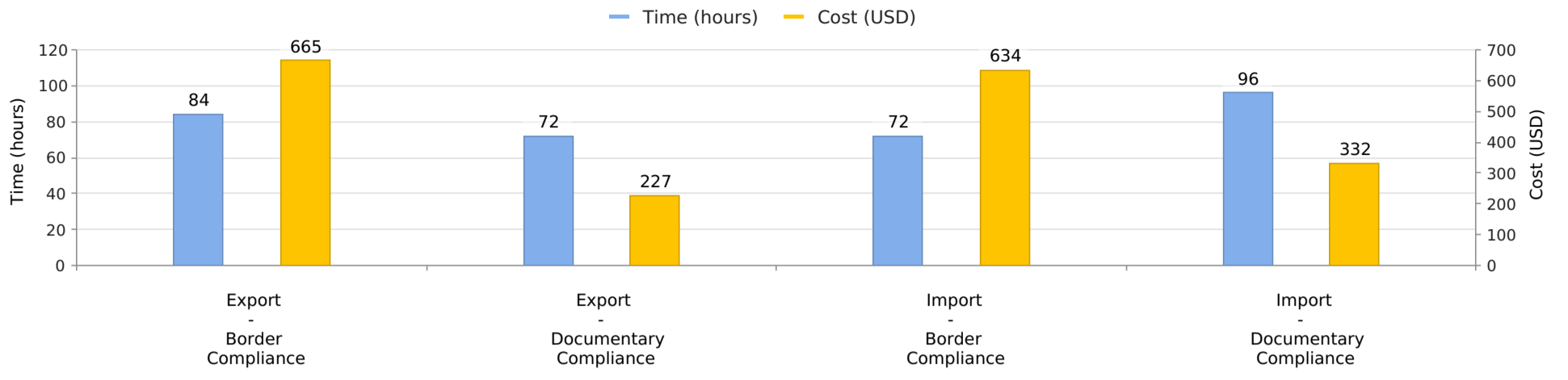


Figure - Trading across Borders in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Kuwait - Time and Cost



Details - Trading across Borders in Kuwait

Characteristics	Export	Import
Product	HS 29 : Organic chemicals	HS 8708: Parts and accessories of motor vehicles
Trade partner	India	Japan
Border	Shuwaikh port	Shuwaikh port
Distance (km)	10	10
Domestic transport time (hours)	2	2
Domestic transport cost (USD)	153	125

Details - Trading across Borders in Kuwait - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	48.0	178.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	60.0	487.0
Import: Clearance and inspections required by customs authorities	72.0	172.7
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	72.0	461.0

Details - Trading across Borders in Kuwait - Trade Documents

Export	Import
Bill of lading	Certificate of origin
Certificate of origin	Cargo release order
Packing list	Terminal handling receipt
Invoice	Commercial invoice
Export order	Manifest/Bayan
EPA approval	Bill of lading
Customs export declaration	Packing list
SOLAS certificate	SOLAS certificate
	Delivery Order

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Time required to enforce a contract through the courts (calendar days)

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

Cost required to enforce a contract through the courts (% of claim value)

- Average attorney fees
- Court costs
- Enforcement costs

Quality of judicial processes index (0-18)

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

Case study assumptions

The dispute in the case study involves the breach of a sales contract between two domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data on the time and comparable across economies, several assumptions about the case are used:

- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The Buyer orders custom-made furniture, then fails to pay alleging that the goods are not of adequate quality.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The Seller sues the Buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000 whichever is greater.
- The Seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The claim is disputed on the merits because of Buyer's allegation that the quality of the goods was not adequate.
- The judge decides in favor of the seller; there is no appeal.
- The Seller enforces the judgment through a public sale of the Buyer's movable assets.

Enforcing Contracts - Kuwait

Standardized Case

Claim value	KWD 20,397
Court name	Kuwait City Court of First Instance, Commercial Circuit
City Covered	Kuwait City

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Time (days)	566	622.0	589.6	120 (Singapore)
Cost (% of claim value)	18.6	24.7	21.5	0.1 (Bhutan)
Quality of judicial processes index (0-18)	7.5	6.6	11.7	None in 2018/19

Figure - Enforcing Contracts in Kuwait - Score

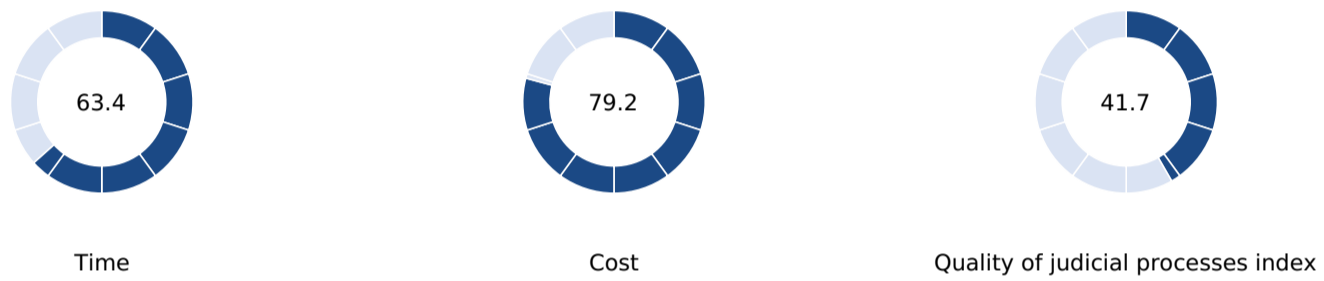
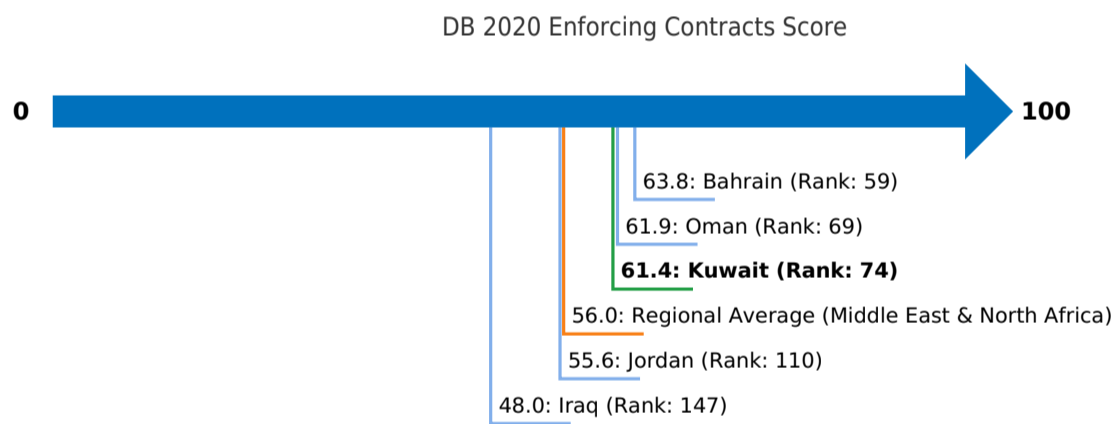


Figure - Enforcing Contracts in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Kuwait - Time and Cost

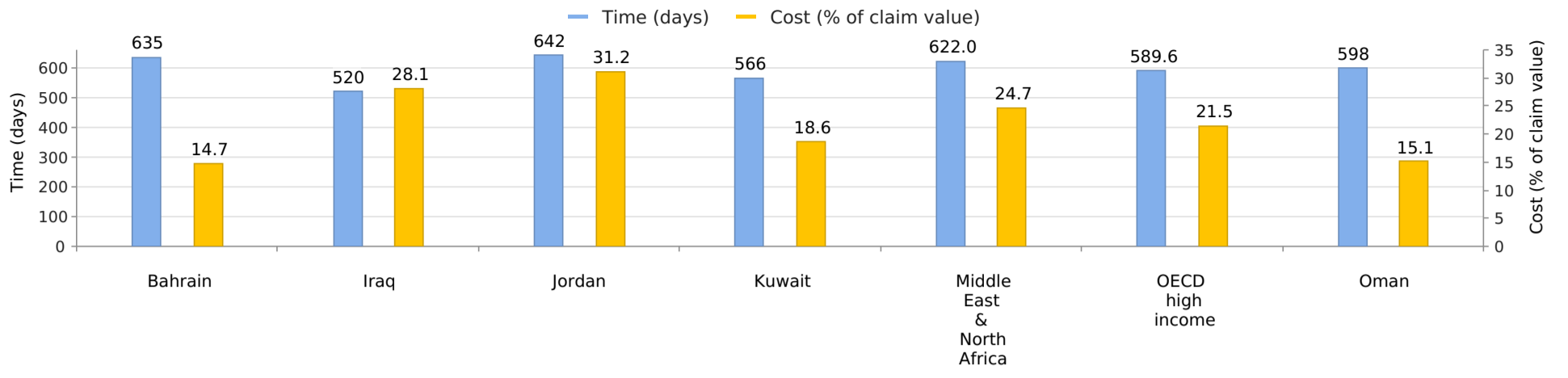
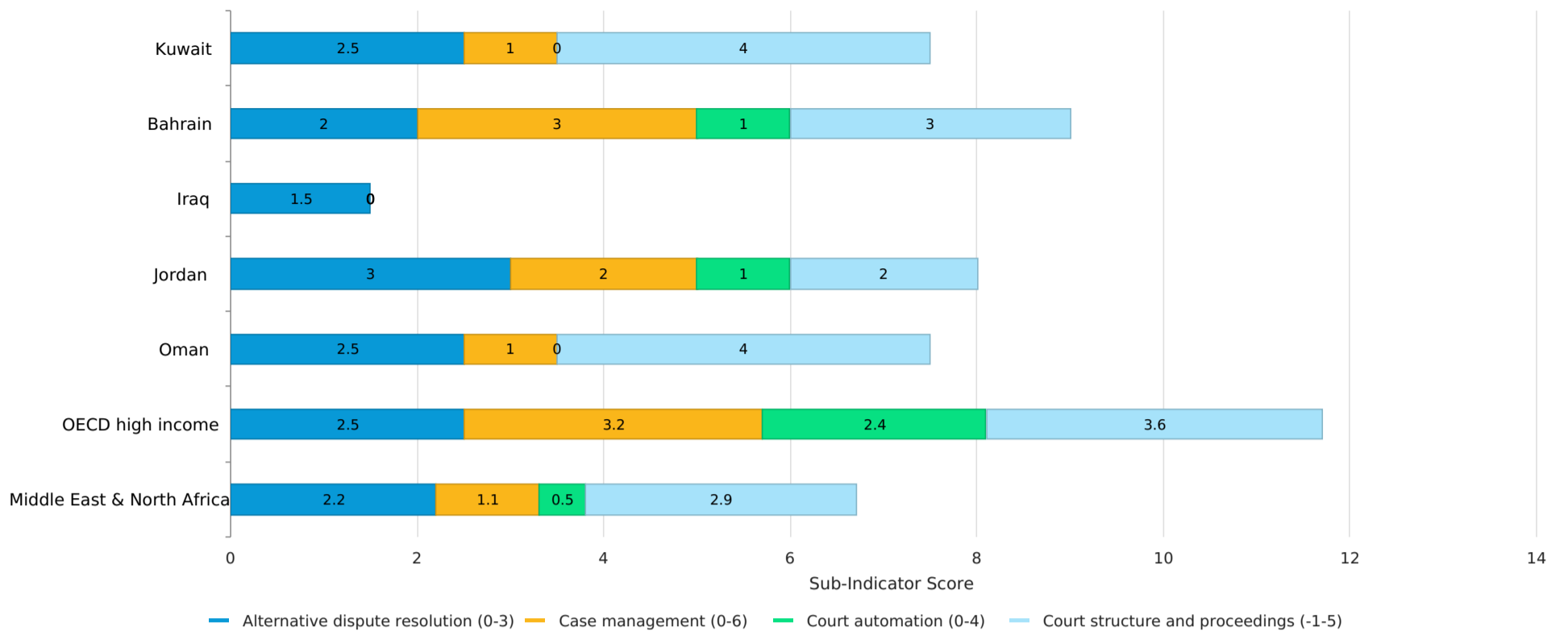


Figure - Enforcing Contracts in Kuwait and comparator economies - Measure of Quality



Details - Enforcing Contracts in Kuwait

	Indicator
Time (days)	566
Filing and service	26
Trial and judgment	420
Enforcement of judgment	120
Cost (% of claim value)	18.6
Attorney fees	15
Court fees	2.6
Enforcement fees	1
Quality of judicial processes index (0-18)	7.5
Court structure and proceedings (-1-5)	4.0
Case management (0-6)	1.0
Court automation (0-4)	0.0
Alternative dispute resolution (0-3)	2.5

Details - Enforcing Contracts in Kuwait - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		7.5
Court structure and proceedings (-1-5)		4.0
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	No	-1.0
Case management (0-6)		1.0
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	0.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		0.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	No	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	No	0.0
4. Publication of judgments		0.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.5
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	

2. Mediation/Conciliation	1.0
2.a. Is voluntary mediation or conciliation available?	Yes
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects (for example, definition, aim and scope of application, design)?	No
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes

Resolving Insolvency

Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Time required to recover debt (years)</p> <ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included <p>Cost required to recover debt (% of debtor's estate)</p> <ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees <p>Outcome</p> <ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal <p>Recovery rate for creditors</p> <ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered <p>Strength of insolvency framework index (0- 16)</p> <ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) 	<p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p> <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater. - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise. <p>In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.</p>

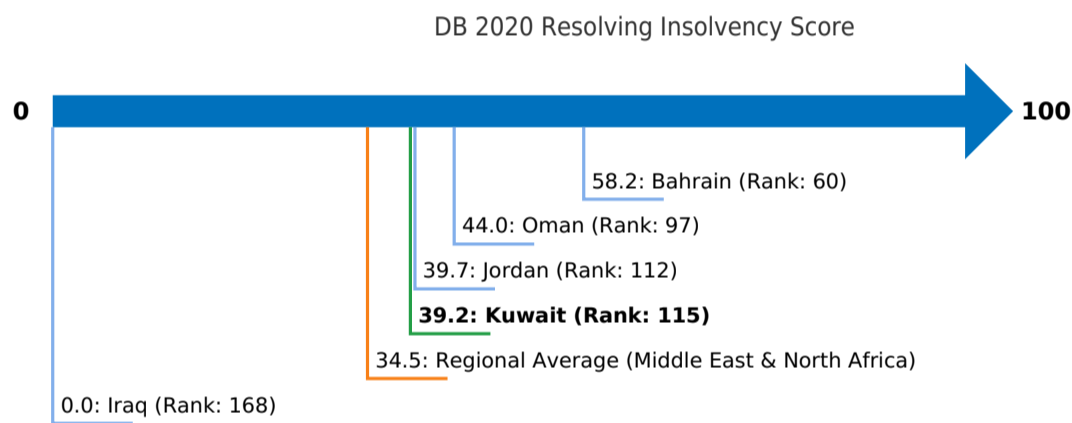
Resolving Insolvency - Kuwait

Indicator	Kuwait	Middle East & North Africa	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	32.2	27.3	70.2	92.9 (Norway)
Time (years)	4.2	2.7	1.7	0.4 (Ireland)
Cost (% of estate)	10.0	14.0	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0
Strength of insolvency framework index (0-16)	7.0	6.3	11.9	None in 2018/19

Figure - Resolving Insolvency in Kuwait - Score



Figure - Resolving Insolvency in Kuwait and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Kuwait - Time and Cost

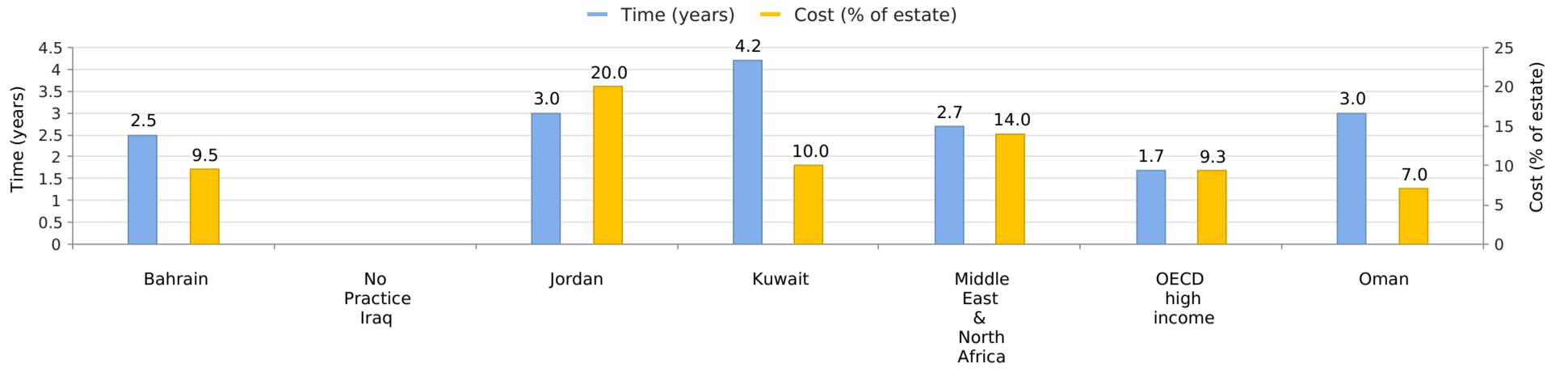
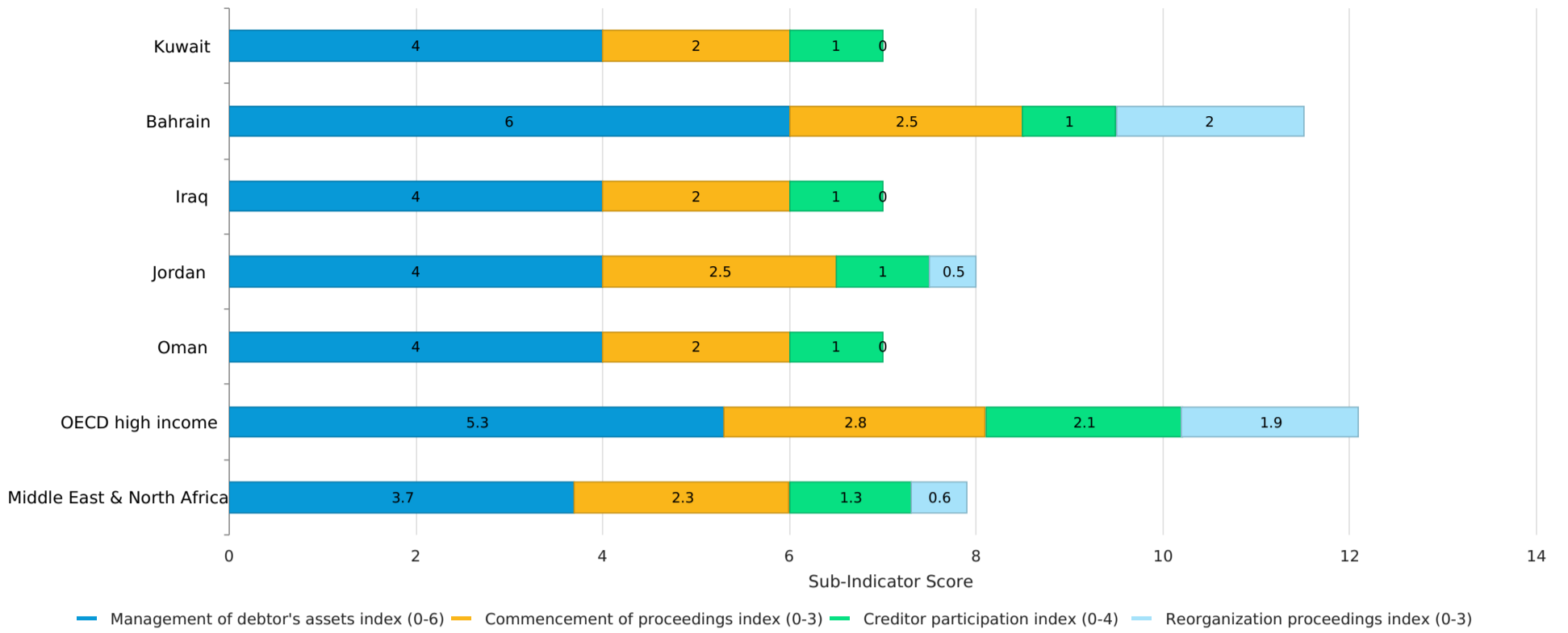
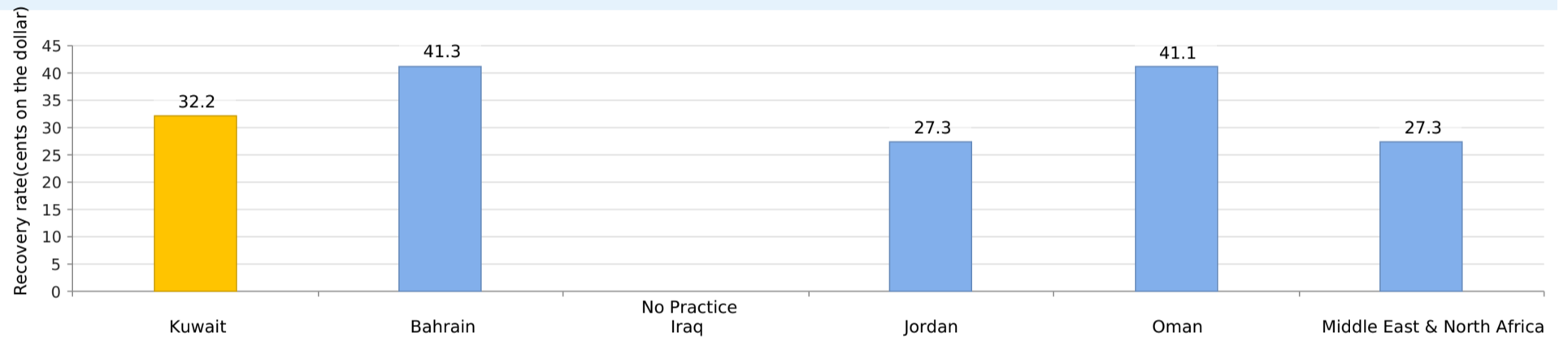


Figure - Resolving Insolvency in Kuwait and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Kuwait and comparator economies - Recovery Rate



Details - Resolving Insolvency in Kuwait

Indicator	Answer	Score
Proceeding	foreclosure	Security documents relating to collateral (Hotel) located in Kuwait would be enforced before the Court of First Instance. After Mirage's default, BizBank would initiate foreclosure by enforcing its security interest over Mirage's assets. Other unsecured creditors will file petition at the Court attempting to convert the foreclosure proceeding into liquidation which however won't stay BizBank to proceed with actions against the property securing their rights according to Commercial Law Article 597. Foreclosure proceedings may only be initiated in the event the security documents were endorsed by a writ of execution.
Outcome	piecemeal sale	The hotel will stop operating and Mirage assets will be sold piecemeal in a public auction upon the completion of the proceeding.
Time (in years)	4.2	The foreclosure procedure takes approximately 4.2 years until BizBank is repaid some or all of the money owed to it. The delay is largely due to the difficulty in scheduling a court hearing to resolve appeals from relevant parties to BizBank's foreclosure attempt, as well as the preparation and implementation of the auction. It takes at least half a year (probably 8 months) for the Court to review BizBank's initial foreclosure request. If appeals arise from unsecured creditors, the Court will hold hearings and make the decision, which can take up to 3 years.
Cost (% of estate)	10.0	The costs associated with the case would amount to approximately 10% of the value of the debtor's estate. Cost incurred during the entire insolvency process mainly include court or government agency fees (1%), attorney fees (5%), fees of accountants, assessors, inspectors and other professionals (1%), and fees of auctioneers (1%-5%).
Recovery rate (cents on the dollar)		32.2

Details - Resolving Insolvency in Kuwait - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		7.0
Commencement of proceedings index (0-3)		2.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(b) Debtor may file for liquidation only	0.5
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? (a) Debtor is generally unable to pay its debts as they mature (b) The value of debtor's liabilities exceeds the value of its assets	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		4.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	No	0.0
Does the insolvency framework assign priority to post-commencement credit?	(c) No priority is assigned to post-commencement creditors	0.0
Reorganization proceedings index (0-3)		0.0
Which creditors vote on the proposed reorganization plan?	N/A	0.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
Creditor participation index (0-4)		1.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	No	0.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Employing Workers

Doing Business presents detailed data for the employing workers indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The study does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the maximum probationary period; (iv) minimum wage; (v) ratio of minimum wage to the average value added per worker.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether the law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments, and (iii) penalties due when terminating a redundant worker. Data on the availability of unemployment protection for a worker with one year of employment is also collected.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Employing Workers - Kuwait

Details - Employing Workers in Kuwait

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	60.0
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	216.0
Ratio of minimum wage to value added per worker	0.1
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	50.0
Premium for overtime work (% of hourly pay)	25.0
Restrictions on night work?	No
Restrictions on weekly holiday?	Yes
Restrictions on overtime work?	Yes
Paid annual leave for a worker with 1 year of tenure (working days)	30.0
Paid annual leave for a worker with 5 years of tenure (working days)	30.0
Paid annual leave for a worker with 10 years of tenure (working days)	30.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	30.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	13.0
Notice period for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	13.0
Notice period for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	13.0
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	13.0
Severance pay for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	2.1
Severance pay for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	10.7

Severance pay for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	32.5
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	15.1
Unemployment protection after one year of employment?	Yes

Business Reforms in Kuwait

From May 2, 2018 to May 1, 2019, 115 economies implemented 294 business regulatory reforms across the 10 areas measured by Doing Business. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

DB2020

- ✓ **Starting a Business:** Kuwait made starting a business easier by merging procedures to obtain a commercial license and streamlining the online company registration.
- ✓ **Dealing with Construction Permits:** Kuwait made dealing with construction permits easier by streamlining its permitting process, integrating additional authorities in its electronic permitting platform, enhancing inter-agency communication and reducing the time to obtain a construction permit.
- ✓ **Getting Electricity:** Kuwait made getting electricity easier by digitizing the application process, streamlining connection works and meter installations and using a geographic information system to review connection requests.
- ✓ **Registering Property:** Kuwait made property registration easier by streamlining the inspection process and property registration. Kuwait also improved the quality of its land administration system by publishing official service standards on property transfers.
- ✓ **Getting Credit:** Kuwait improved access to credit information by guaranteeing borrowers the legal right to inspect their credit data and offering credit scores as a value-added service to banks and financial institutions.
- ✓ **Protecting Minority Investors:** Kuwait strengthened minority investor protections by providing a 21-day notice for general assembly meetings.
- ✓ **Trading across Borders:** Kuwait made trading across borders easier by improving the customs risk management system and by implementing a new electronic clearance system.

DB2019

- ✓ **Starting a Business:** Kuwait made starting a business easier by eliminating the paid-in minimum capital requirement.
- ✓ **Protecting Minority Investors:** Kuwait strengthened minority investor protections by requiring an independent review of related-party transactions and clarifying ownership and control structures.

DB2018

- ✓ **Starting a Business:** Kuwait made starting a business easier by establishing a one-stop shop and improving online registration.
- ✓ **Registering Property:** Kuwait made registering property easier by lowering the number of days necessary to register property and by improving the transparency of the land administration system.
- ✓ **Enforcing Contracts:** Kuwait made enforcing contracts easier by introducing an electronic case management system for the use of judges.

DB2017

- ✗ **Starting a Business:** Kuwait made starting a business more difficult by increasing the time required to register by requiring companies to submit the original documents online and in person.
- ✓ **Trading across Borders:** Kuwait made exporting and importing easier by introducing customs e-links and electronic exchange of information among various agencies.

DB2016

- ✓ **Starting a Business:** Kuwait made starting a business easier by reducing the minimum capital requirement.

DB2015

- ✗ **Starting a Business:** Kuwait made starting a business more difficult by increasing the commercial license fee.

DB2014

- ✗ **Starting a Business:** Kuwait made starting a business more difficult by increasing the minimum capital requirement.
- ✓ **Protecting Minority Investors:** Kuwait strengthened investor protections by making it possible for minority shareholders to request the appointment of an auditor to review the company's activities.

DB2011

- Employing Workers:** Kuwait increased the number of days of paid annual leave and increased the notice period applicable in case of redundancy dismissals.

DB2010

- ✓ **Trading across Borders:** Kuwait reduced the time required for customs clearance by improving administrative procedures and staff training.
 - ✓ **Resolving Insolvency:** Kuwait enhanced its insolvency process by introducing a new legal procedure that enables financially distressed companies on the verge of insolvency to restructure.
-

DB2008

- ✓ **Dealing with Construction Permits:** Kuwait reduced the time required for dealing with construction permits by introducing an automated system for issuing technical approvals for utility connections.
- ✓ **Getting Credit:** Kuwait's private credit bureau expanded its coverage by adding retailers to those supplying it with credit information.

Doing Business 2020 is the 17th in a series of annual studies investigating the regulations that enhance business activity and those that constrain it. It provides quantitative indicators covering 12 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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