Economic Report 2025
Kuwait

31 July 2025

Executive Summary

Kuwait's economy remains heavily reliant on oil, which accounts for approximately 95% of exports and 90% of government revenues. As of early 2024, Kuwait holds 101.5 billion barrels in proven oil reserves—around 6% of global reserves—making it OPEC's 5th-largest producer and 10th worldwide (OPEC Annual Statistical Bulletin, 2024). New annual discoveries reinforce projections that its reserves are sustainable for the next 100 years. However, Kuwait remains highly vulnerable to fluctuations in oil prices, which significantly impact public finances.

The wealth accumulated from decades of oil revenues is managed by the Kuwait Investment Authority (KIA), which oversees both the Future Generations Fund and General Reserve Fund. Established in 1953, KIA is the oldest sovereign wealth fund in the world and, as of 2025, the 5th-largest globally, estimated at USD 1.03 trillion in assets (SWF Institute, 2025), reliable unofficial sources estimate the real value of the fund's assets to be well above USD 1.2 trillion. These assets are diversified across sectors such as ports, airports, and power systems globally.

Kuwait is a generous welfare state. Roughly 80% of Kuwaiti nationals are employed in the public sector, posing fiscal sustainability challenges amid lack of diversification. After years of stalling due to parliamentary opposition, the Amir dissolved the National Assembly in May 2024 in order to open the way to a "new era" for the country through the long-delayed legislative reforms. In fact, in recent months, the government has finally adopted several important laws, including in the fiscal field (e. g. taxation of certain companies, public debt law). This supports the ambition to implement expansionary plans and also to boost the economy, including the private sector. These reforms and the new spirit in the country appear indeed to generate a new momentum in 2025.

In 2024, Kuwait's economy contracted by -1%, largely due to OPEC+ production cuts, with oil GDP declining by -4.3% and non-oil GDP by -1% (IMF Article IV Consultation Report, Kuwait 2024). The non-oil economy showed modest resilience, supported by domestic demand. Inflation remained moderate at around 3% in 2024. The fiscal deficit widened to roughly 5% of GDP, mainly driven by recurrent expenditures and declining oil revenue. The IMF projects a GDP raise of 1.9% in 2025, though the non-oil sector is expected to grow by 2%, fueled by consumer and public spending.

For Switzerland, Kuwait continues to present several business and strategic opportunities:

- A favorable political and economic climate toward Switzerland: Kuwait has one of the highest millionaires concentrations globally (ranked 3rd in 2023), a strong currency, and a long-standing people-to-people relationship with Switzerland (including property ownership and health visits).
- FINTECH: since the country aims at diversifying its economy.
- Agriculture: Kuwait's quest for food security is a top priority (95% of the food being imported).
- Health: needs in this sector are important, the country wants and can afford highest standards.

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- Sustainable/renewable energy: improving the ecological footprint of the oil/gas sector and/or deevelop alternative sources of energy is also a political top priority.
- Water: improving the ecological footprint, e.g. of the desalinization industry.
- Infrastructures (e.g. Gulf Cooperation Council's railway project).
- Iraq: potential logistics base from which to enter and cover the large Iraqi market.
- Free-trade zone projects.
- Tourists from Kuwait: an important market for all sectors connected to tourism in Switzerland

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

In **2024**, Kuwait's economy continued to face pressures from **OPEC+ oil production cuts** and domestic structural constraints. The **International Monetary Fund (IMF)** projects a **real GDP contraction of –2.8%** for the year, following a deeper-than-expected **–3.6% contraction in 2023** (IMF Article IV, 2024). The **non-oil sector** showed moderate resilience and is expected to grow by **2.0%**, supported by public investment and recovering consumer activity.

Inflation has eased, reaching **3.0% in early 2024** (Kuwait Central Statistical Bureau, Feb. 2024), down from 3.6% in 2023. Card spending growth slowed to **5.4% year-on-year in Q4 2023** (CBK, 2024), down from 8.7% in Q3, reflecting more cautious consumption. The real estate sector remained subdued: **Q1 2024 sales totaled KD 697 million**, a **9.5% decline quarter-on-quarter**, driven mainly by weakness in the commercial property segment (NBK Economic Update, April 2024).

Oil prices surged in early 2024, with **Kuwait Export Crude (KEC)** averaging **$86.3 per barrel in March**, up **8.5% quarter-on-quarter** (KPC, April 2024). Kuwait maintained oil production at its OPEC+ quota level of **2.41 million barrels per day**. However, reduced export volumes continued to weigh on fiscal performance.

The **fiscal deficit** is projected to widen to **–5.0% of GDP in 2024**, while the **central government deficit** for the fiscal year 2024/25 is expected to reach **–6.6% of GDP** (World Bank Gulf Economic Update, Spring 2024). Despite these pressures, **S&P Global Ratings** reaffirmed Kuwait's **'A+/A-1' credit rating** with a stable outlook in March 2024, citing large sovereign assets and a strong net external position.

Looking ahead, the **IMF projects GDP growth of 1.9% in 2025**, and **an average of 2.4% between 2025 and 2027**, with inflation moderating to **2.3%**. However, absent fiscal reforms or higher oil prices, the **fiscal deficit could grow to –7.2% of GDP by 2025** (IMF Fiscal Monitor, April 2024).

After years of stalling due to institutional confrontation with the (late) Parliament, Kuwait finally adopted its first **public debt law**, which allows the State to borrow KWD 30 billion over the next 50 years. Another law was adopted imposing a **15% tax on profits of multinational companies** (expected to collect KWD 250 million annually). Finally, a decree was also issued to allow the government to **raise charges on public services**. These reforms, the other measures which are in the pipeline, as well as the progress in the **implementation of various big projects**, are finally starting to generate a new momentum for the economy in 2025.

Economic Indicators

The non-oil economy in **early 2025** showed signs of modest recovery after a volatile second half of 2024. Following a **–2.5% contraction in Q3 2024**, the non-oil sector rebounded by **+4.0% year-on-year in Q4 2024**, led by strong performance in manufacturing (**+12.2%**), real estate, and hospitality. For **2025**, the non-oil sector is projected to expand by **2.6%**, supported by continued public investment, infrastructure activity, and private sector resilience.

Project activity also improved. After bottoming out in Q1 2024 with **KD 98 million** in awards—the lowest in two decades—**Q1 2025 project awards surged to KD 410 million**, marking a **66% increase quarter-on-quarter** and nearly **+197% year-on-year** growth. While this remains below pre-pandemic and 2022 highs, it reflects renewed momentum in infrastructure development and improved investor sentiment amid macroeconomic stabilization.

These trends indicate cautious optimism for Kuwait's broader diversification efforts, even as structural constraints and global volatility continue to shape investment behavior and sectoral performance.

Market Trends

In **2025**, Kuwait's domestic market is showing signs of cautious but sustained growth. The **real estate sector** continues its gradual recovery, with total transaction values reaching **KD 4.2 billion in 2024**, up approximately **6% year-on-year**, primarily driven by demand in suburban residential areas. Commercial and industrial property markets remain stable, bolstered by selective developments tied to national infrastructure and urban planning goals under Vision 2035.

The **Kuwaiti stock market** started the year on solid footing. As of Q1 2025, the **Main Index of Boursa Kuwait** rose by **4.1% year-to-date**, with gains concentrated in the real estate (**+2.0%**) and banking sectors (**+1.9%**). Leading contributors include National Bank of Kuwait (NBK), Kuwait Real Estate Company, and Commercial Real Estate Co.

The **banking sector** remains a key driver of financial resilience. In 2024, listed banks reported **net profit growth of 12.6%** and a solid **8.5% increase in total assets**, while cost-to-income ratios improved to **47.3%**. In Q1 2025, NBK reported a **KD 134 million net profit**, with total assets rising to **KD 41.6 billion**. Gulf Bank posted **KD 9.4 million** in net profit, with results reflecting pressure on interest margins as rates stabilize.

Looking ahead, **real estate** is expected to maintain a moderate upward trajectory, supported by anticipated implementation of housing reforms and the long-awaited mortgage law. **Equity markets** are forecast to remain buoyant, supported by strong bank fundamentals and renewed investor confidence following the enactment of the public debt law. The **banking sector** is projected to see loan growth increase from **6.4% in 2024 to around 7.5% in 2025**, driven by public sector investment, private lending momentum, and continued regulatory reform.

Political Developments

In May 2024 the Amir of Kuwait dissolved the Parliament "for a period of no more 4 years". Domestic and international observers expect this move to raise the speed of the adoption and implementation of the reforms needed to fix the economy and bring the country into a new era in line with its bright past. Indeed, **the government has adopted several important laws and measures in the past months**. Above all, the first public debt law and the law imposing a 15% tax on profits of multinational companies. Also, charges on public services should be raised and expenses cut (including through several thousands of revocations of citizenship, which has a considerable impact on the costs of the welfare in the public budgets). These reforms, and the other measures which are in the pipeline, as well as **progress in the implementation of various big projects**, are finally starting to generate **a new momentum** for the economy in 2025. It will take at least one or two years to judge whether this new institutional environment will have increased the effectiveness of public governance and boosted the economy in a durable way, especially in the private sector.

Outlook and Challenges

Kuwait's public finances and external position remain strong, thanks to assets held by the **Kuwait Investment Authority (KIA)**—estimated at over **USD 1.03 trillion** in 2025 (SWF Institute, 2025), reliable unofficial sources estimate the real value of the fund's assets to be well above USD 1.2 trillion. However, the country faces persistent challenges: **overdependence on oil**, slow reform execution, a fragmented public-private labor market, and exposure to global volatility and high interest rates.

Vision 2040 (formerly 2035) and Reform Priorities

- **Digital transformation:** Kuwait's national ICT market is projected to reach **USD 10 billion by end-2024**, driven by ambitious government initiatives to enhance e-government systems, increase automation, and bolster cybersecurity. In **July 2024**, the Kuwait Direct Investment Promotion Authority (KDIPA) announced the opening of **Google Cloud offices**, aimed at accelerating digital innovation and supporting a national skills-building program in AI and cybersecurity. In **December 2024**, the Ministry of Finance signed an MoU with Google Cloud to begin migrating its financial systems to the cloud to improve operational efficiency and data-driven governance. Further advancing this agenda, Kuwait entered into a **strategic partnership with Microsoft** in **March–May 2025**, establishing an **AI-powered Azure region**, launching a **Copilot Center of Excellence**, and deploying a **Zero Trust cybersecurity framework** across government agencies.
- **Renewable energy**: Kuwait aims to produce **15% of its energy from renewables by 2030**, increasing to **50% by 2050**, according to the Ministry of Electricity, Water and Renewable Energy (March 2024). Key projects include the **Shagaya Renewable Park** and **Al-Dibdibah Solar Project**.
- **Fiscal modernization**: Authorities are pursuing tax system efficiency, improved spending oversight, and have now passed a long-delayed **debt law in March/April 2025** to enable sovereign bond issuance.
- **Mubarak Al-Kabeer Port:** The Mubarak Al-Kabeer Port on Bubiyan Island has advanced substantially under a **Chinese–Kuwaiti partnership**, with contracts signed in **February 2025** awarding **China State Construction and Communications Corporation (CSCC)** the design, engineering, and pre-implementation scope under **Decree-Law 155/2024**—later expanded by **Decree-Law 22/2025**, which transferred jurisdiction and funding to the Ministry of Public Works . After nearly a decade of delays, **field work commenced in March 2025**, marking a tangible shift from planning to execution . The port is now positioned to handle over **8 million containers** upon

completion, with an estimated operational date by **end-2026** . As a Belt and Road Initiative flagship on the Gulf, it is central to the **Kuwait Vision 2040** (formerly 2035, please refer to the conclusion for explanation) serving as a cornerstone for northern regional development, economic diversification, and reinforcing Kuwait's role as a major logistics and commercial hub.

Kuwait's 2040 vision aims on transforming Kuwait into a financial and trade hub regionally and internationally, and becoming more attractive to investors. Where the private sector leads the economy, creating competition and promoting production efficiency. Under the umbrella of a supporting institutional body, which accentuates national values, preserves social identity and achieve social development. As well as providing an essential structure to cultivate a business friendly environment.

This is based upon the vision of His Highness the Amir of Kuwait, Sheikh Sabah AlAhmed AlJaber AlSabah, and the implementation of his Highness's visions in this regards. Kuwait also possess the main elements to move towards achieving this vision. Main elements such as: a strategic geographical location, encouraging legislative body, comprehensive judicial system, and a balanced international foreign policy.

This project uses global indicators to track and measure Kuwait's progress with the plan and its performance, comparative to other countries. As well as setting goals and following up on the performances towards achieving the vision.

Kuwait's national development plan is linked to international goals and factors by adapting them to the United Nations Sustainable Development Goals (SDG's) 2030 agenda, in order to achieve compatibility between the national development plan and the international development vision.

The government based this need and desire to acquire a development plan came at a time when the world has been witnessing local, regional, and international developments. Which necessitated the development of a clear, ambitious, objective plan. The objectives of this plan were to raise government performance and channel national resources towards achieving the desired goals. The system includes an integrated system of development documents, including the five-step process that has shaped the development paths of the state over the long term through mechanisms, means and projects to ensure the achievement of development goals in the long and medium term.

The main aspirations of the Vision include:

1. Restore the regional leadership role of Kuwait as a financial and commercial hub, and reviving the pivotal role of the Kuwaiti private sector in the leadership of development.
2. Reconstruct the important and different positions, as well as the bodies and institutions of the country. In addition to enabling work empowerment and productivity.
3. Providing new infrastructure, appropriate legislation and an enabling a business environment conducive to development and providing controls and climate to ensure total and balanced human resource development. Aiming on consolidating the values of society, preserving its identity, as well as achieving justice, political participation and freedoms.

Strategic developmental goals of the national development plans 2040:

- Increase local productivity and development of non-oil economic sectors.
- Improve standards of living for citizens.
- Engage the private sector into the national economic activity of the country.
- Support human and social development.
- Improve residential policies to support development.
- Train and qualify national human resources.
- Enable government administration by restructuring governments bodies.
- Preserve the values of the Arab-Islamic identity.

The pillars of the National Development Plan (2040 Vision):

1. Sustainable diversified economy.
2. Effective civil service.
3. Sustainable living environment.
4. Developed infrastructure.
5. High quality healthcare.
6. Creative human capital.
7. Global positioning.

Source Kuwaiti Ministry of foreign affairs website

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

Kuwait's economy largely depends on oil, which accounts for almost 95% of exports and 90% of government revenues. Kuwait is OPEC's fifth-largest crude oil producer (and tenth worldwide) with more than 102 billion barrels in proven oil reserves, which represents around 6% of the world's total reserve. The new oil and gas discoveries every year make its oil reserve sustainable for the next 100 years. The historical savings from oil profits over the years were accumulated in the Kuwait Investment Authority (KIA), which manages the asset of Kuwait Sovereign Wealth Fund (Future Generation Fund (FGF) / General Reserve Fund, GRF), the oldest sovereign wealth fund in the world (founded in 1953) and the third-largest sovereign fund in the world with assets currently estimated at 1000 billion USD.

In line with its *Vision 2040 (formerly 2035)*, Kuwait aims at developing its renewable energy sector. In particular, Shaqaya Phase III will include a solar Photovoltaic (PV) plant, a Concentrated Solar Power (CSP) plant, and a wind power plant. The three plants will produce a total renewable energy of no less than 2,000 MW. In any case, the oil and petrochemical sectors will remain the backbone of Kuwait's wealth for a long time.

It is largely admitted that the highly dependence on oil requires structural reforms which are however unpopular and therefore delayed by the majority of the deputies elected by the voters. The lack of reforms is not facilitating doing business in the country, considering in particular the impressive developments in the other countries of the region. Nevertheless, Kuwait offers many opportunities for Swiss companies. Kuwait holds Switzerland and its business framework in high regard since the1930s where the first businessmen came to seek opportunities to Switzerland

In general, among the positive factors we can underline the **extremely favorable political and economic climate towards Switzerland**, as well as the **rich**, the **strong purchasing power** of the Kuwaiti Dinar, the **people-to-people ties** dating back to the 1930s (thousands of Kuwaitis have been visiting Switzerland for decades, and also own apartments/houses in our country). More specifically, the potential opportunities for Swiss business actors are in particular the following:

1. **Export of Swiss luxury goods:** Kuwaiti society has a fondness for luxury goods and high-quality brands, such as watches. The high purchasing power of the Kuwaiti dinar means that luxury goods are accessible to almost everyone.
2. **Fintech:** In the framework of efforts to diversify the economy, financial services and digitalisation are priorities.
3. **Agriculture:** Kuwait currently imports around 95% of its food, so is striving to develop its agricultural sector. Food security is a political top priority, and this sector offers many opportunities for sustainable and smart solutions to reduce water and energy consumption.
4. **Health:** There is a high demand for services in this broad sector, and the country can afford to meet the highest standards. The construction of new specialised hospitals is creating opportunities. For example, the government is working on expanding three major hospitals as part of its plan to increase bed capacity across the country. Kuwait's pharmaceutical sector is witnessing an increasing number of partnerships with multinational drug manufacturers.
5. **Sustainable/renewable energy:** improving the ecological footprint of the oil and gas sector and/or developing alternative energy sources is also a top political priority. However, Kuwait remains overwhelmingly reliant on the export of oil. Industrial projects centred on the hydrocarbon sector will continue to be a focal point of government investment in infrastructure. Sustainable and green energy solutions are crucial to this sector.
6. **Water:** improving the ecological footprint of the desalinisation industry, for example, which provides virtually all the water consumed by the local population.
7. **Infrastructure:** due to regional pressure, there is a chance that the GCC railway project will be implemented in Kuwait, despite delays in previous years. The establishment of 'Nuwaiseeb', a new free trade zone on the border with Saudi Arabia, is considered a vital project that will attract foreign investment, as the railway will be built next to it. The 2,177 km-long Gulf Railway system is expected to connect all six GCC countries in Eastern Arabia.
8. **Platform for the Iraqi market:** Kuwait's geographical location is crucial; its border with Iraq makes it a potential gateway to the substantial Iraqi market. Kuwait has maintained open diplomatic channels and supported the stability of Iraq, offering enormous potential for commerce.

9. **Free-trade zone projects:** The “Nuwaiseeb” project is located on the border with Saudi Arabia and the “Northern Gulf Gateway project” (Silk City) is located on the border with Iraq. There are also the Abdali, Al Na’ayem and Al Wafra Economic Zones.
10. **Kuwaiti tourists in Switzerland:** Switzerland is traditionally one of the most popular tourist destinations for Kuwaitis. It is estimated that Kuwaiti tourists spent more than 10 billion Swiss francs abroad during the first nine months of 2022. According to UNWTO studies, Kuwaiti tourists spend appreciably more at their destinations than the average tourist. This represents an important opportunity for Switzerland's various tourism-related sectors (hotels, restaurants, leisure, shopping, sports, etc.). Winter and summer camps for young people should also not be overlooked.

3 FOREIGN ECONOMIC POLICY

3.1 Host country’s policy and priorities

Since gaining independence in 1961, Kuwait has pursued a balanced and ambitious foreign policy characterised by openness and rich, multipolar ties with the international community. For instance, Kuwait is a stable ally of the United States, yet it was also the first GCC country to sign a memorandum of understanding (MoU) with China.

Traditionally, the country's policies and priorities have been shaped by the predominance of the oil sector for obvious reasons. In recent years, however, Kuwait has shown a particular interest in diversifying its economy. It has strengthened its economic ties with Far Eastern trade partners, particularly large importers of Kuwaiti oil such as China, South Korea and Japan. Turkey and India are also growing economic partners.

When signing the MoU to become a 'dialogue partner' of the Shanghai Cooperation Organisation in 2023, the Kuwaiti authorities stressed that this rapprochement aligns with the country's foreign policy objectives, particularly the strengthening of trade links, food security, and energy security. Kuwait is also involved in the Belt and Road Initiative. According to BRICS sources, Kuwait has also expressed interest in BRICS+ and is following its developments, in line with Kuwait approach of **universality in economic relations**.

Kuwait has been dealing with the backlash from the 'trade wars' of the Trump administration. This is because it runs a trade deficit with the US. The Commerce Secretary accused Kuwait of applying a 10% tariff on US products and imposed a reciprocal tariff, but it is important to note that in reality Kuwait imposes a flat tariff of 5% on US products. This has prompted many Kuwaiti businesspeople and economists to speak to the press about the dangers of the situation.

Regional trade agreements:

In force:

- Gulf Cooperation Council (GCC)
- GCC with EFTA
- GCC with Singapore
- Pan-Arab Free Trade Area (PAFTA)

Under negotiation:

- GCC - Australia
- GCC - Japan
- GCC – India

As a GCC member, Kuwait has also signed some International Treaties with Investment Provisions (TIPS): GCC-Peru, GCC-USA, GCC-EFTA FTA, GCC-Singapore FTA, GCC-India Framework agreement, GCC-Lebanon FTA, EC-GCC Cooperation Agreement, GCC Economic Agreement, OIC Investment Agreement, Arab Investment Agreement and Arab League Investment Agreement.

Bilateral investment agreements:

Kuwait signed at least 93 Bilateral Investment Treaties with nations such as Austria, Belarus, Belgium, Bosnia, Bulgaria, China, Croatia, the Czech Republic, Denmark, Egypt, Ethiopia, Finland, France, Germany, Hungary, India, Iran, Iraq, Italy, Jordan, Kazakhstan, Latvia, Lebanon, Lithuania, Malaysia, Malta, Mauritania, Moldova, Mongolia, Morocco, Netherlands, Pakistan, Poland, Romania, Russia, Serbia, Slovenia, Spain, South Korea, Sweden, **Switzerland**, Syria, Tajikistan, Tunisia, Turkey, the United Arab Emirates and Yemen.

With the USA, Kuwait signed a “Trade and Investment Framework Agreement” in 2004.

3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

Agreements already in force between Switzerland and Kuwait:

- Agreement on the Protection of Investment (1998)

- Agreement on the Avoidance of Double Taxation (1999). The Double Taxation Agreement went into force in September 2013 and after that, the two sides negotiated an amendment of two articles. The protocol of amendment of the agreement was signed in November 2019 and entered into force at the end of 2024 after both ratifications.

In the absence of significant Swiss direct or indirect investments in Kuwait, the agreements on Investment Protection and Double Taxation are more advantageous to Kuwait, whose investments in Switzerland are substantial.

- The Air services agreement between Switzerland and Kuwait in 1968 was renegotiated on the side-lines of the ICAO Conference of July 2010 in Jamaica, because Kuwait wanted to introduce an open-skies policy. Further liberalizations were thus agreed upon regarding the national clause of the carriers. A protocol of amendment was signed in Turkey in October 2015, and the constitutional formalities for its entry into force were communicated in October 2016 by the Kuwaiti side. The amended protocol entered into force in 2018.

4 FOREIGN TRADE

4.1 Developments and general outlook

Kuwait continues to leverage its vast hydrocarbon resources, with **proven oil reserves standing at 101.5 billion barrels as of early 2025** (OPEC, 2025). These reserves support stable output for the next century, aided by advances in cleaner extraction techniques and new field discoveries, including the **Al-Nokhatha field (3.2 billion barrels)** and **Al-Jlaiaa offshore reserves**.

4.1.1 Trade in goods

Exports:

Total exports in 2024 were estimated at **KWD 23.42 billion (USD 76.4 billion)**, reflecting continued pressure from lower production quotas and global demand shifts (CBS, 2025). Oil remained dominant, accounting for around **89% of total exports**. Key export partners included the **UAE, Saudi Arabia, India, China, Iraq, Pakistan, and Qatar**.

Imports:

Imports rose slightly in 2024 to **KWD 11.92 billion (USD 39.1 billion)**, up **3.5%** year-on-year, with increasing demand for technology, vehicles, and medical equipment. Kuwait remains import-dependent due to limited domestic production. The main sources of imports remained **Asia (notably China, 60%)**, followed by **Europe (23%)** and **the Americas (14%)** (CBS, 2025).

(All statistics are from the foreign trade report of the Kuwait Central Bureau of Statistics CBS.)

4.2 Bilateral trade

4.2.1 Trade in goods

The trade balance remains heavily in favor of Switzerland, which does not import Kuwaiti oil. Exports from Switzerland to Kuwait increased by **22.7% in 2023**, reaching approximately **CHF 642 million (USD 762 million)**, according to the Swiss Federal Office for Customs and Border Security. Imports from Kuwait (including gold) stood at **CHF 19 million (USD 22.6 million)**. Top Swiss exports included **pharmaceuticals, watches, jewelry, and immunological products**. Luxury goods remained popular, reflecting Kuwait’s high purchasing power.

The volume of **Swiss gold ingots, precision medical equipment, and branded watches** imported to Kuwait suggests continued demand for high-end Swiss products.

It is important to note that the official statistics do not entirely reflect the reality: in fact, goods exported from Switzerland to the UAE (Dubai) and then re-exported to Kuwait (e.g. watches, gold) are generally recorded as UAE exports to Kuwait. This is because the UAE is in principle considered the country of export even if the goods are merely passing through the UAE's territory for a short time (including in its free-trade zones) before continuing to Kuwait as their final destination. Globally, the impact of this ‘Dubai

effect' must be significant, considering that the UAE ranks 2nd/3rd in Kuwait's statistics as a source of imports.

4.2.2 Trade in services

Swiss service exports include **private banking, wealth management, forwarding, insurance, and engineering consulting**. While lacking a physical presence, several Swiss institutions maintain regular engagement with Kuwait-based clients (private persons, companies, but also institutional).

5 DIRECT INVESTMENTS

5.1 Developments and general outlook

Under **Vision 2040** (updated in May 2025), Kuwait aims to enhance its investment climate, with the **Kuwait Direct Investment Promotion Authority (KDIPA)** facilitating foreign participation across sectors. In 2024, Kuwait recorded **net FDI inflows of USD 477 million**, driven by strategic investments in **ICT, healthcare, and renewable energy** (KDIPA, 2025).

KDIPA has now licensed more than **60 international firms** operating in areas like **cybersecurity, cloud infrastructure, diagnostics, and construction materials**. Notably, in 2024–2025, Kuwait signed high-profile cooperation agreements with **Google Cloud and Microsoft**, launching major initiatives in **digital government services and cloud infrastructure**, aligned with Vision 2040.

5.2 Bilateral investment

a) Swiss Investment in Kuwait:

While Swiss direct investment in Kuwait remains limited, firms such as **Roche Diagnostics** and **Sika** have local operations, supported by KDIPA. Most Swiss companies operate via agents or regional offices. Swiss banks and consulting firms engage regularly from their regional hubs.

b) Kuwaiti Investment in Switzerland:

Swiss assets remain highly attractive for Kuwaiti investors. In the absence of official figures, due to the tradition of confidentiality that characterizes the Kuwait Investment Authority (KIA), based on the Swiss economy's share of total global capitalization, we can estimate **KIA investments in Switzerland at around USD 25-30 billion (2024)**, spanning hotels, real estate, equities, and industrial ventures (most of the time invested through Swiss banks). In addition, there is no doubt that, over the decades, also **private Kuwaiti citizens** have accumulated **several tens of billions** in investments in Switzerland (again, mostly invested through Swiss banks).

NBK maintains a branch in Geneva, and **Agility Logistics** has relocated its international HQ to Zurich. Kuwaiti private investment includes holdings in **watchmaking, FMCG, and hospitality**.

The Arab-Swiss Chamber of Commerce and Industry (CASCI) was created in 1974, established to promote the economic and cultural relations between Switzerland and Arab Countries members of the League of Arab States.

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

Switzerland Global Enterprise (S-GE) and its regional office, **Swiss Business Hub Middle East (SBH ME)**, continue supporting Swiss SMEs through **sectoral events, market entry advice, and participation in GCC expos**. In 2023–2024, successful Swiss missions focused on **cleantech, construction, health, and digital solutions**. A second business mission is planned for **Q4 2025**.

The **Swiss Kuwaiti Business Platform (SKBP)**, launched by the Embassy in late 2023 with a group of prominent businesspeople, continues to grow as a successful tool to promote networking, advocacy and engagement in favor of bilateral trade and investment. Together with our Embassy, various fruitful activities were organized in 2024 and 2025, which also received excellent media coverage.

6.2 The host country's interest in Switzerland

Tourism and the Swiss lifestyle continue to be key attractions for Kuwaitis. Popular destinations include Geneva, Montreux, Crans Montana, Lausanne, Zurich and (mainly thanks to the three weekly direct flight between Kuwait and Milano Malpensa) also Lugano, not to mention the best ski resorts. The country's medical tourism and spa resorts similarly attract affluent Kuwaiti families. Summer and winter camps for young people are also successful.

These trends are supported by the systematic issuance of 5-year Schengen visas since 2024 in line with a decision of the European Commission.

Interest in education is growing in the form of summer schools and international partnerships, as well as master's programmes taught in English at Swiss universities. Many Swiss universities offer programmes in English, particularly in subjects such as business, science, and technology. Recent academic ties include collaborations between **University of Lausanne**, **University of Geneva**, and **Kuwait University**, as well as the 2024 research cooperation grant (by the "Leading House MENA") with the **Dasman Diabetes Institute**. These initiatives reflect rising interest in bilateral academic exchange.

ANNEX 1 – Economic structure

Economic structure of Kuwait

Precentage Distribution of yearly Gross Domestic Product at Current Prices		
Precentage Distribution (%)		
Economic activity	**2022**	**2023****
Oil sector	**53.0**	**47.4**
Non-oil sectors	**47.0**	**52.6**
Agriculture and fishing	**0.4**	**0.5**
Extraction of crude petroleum and natural gas and service activities incidental to oil and gas	**53.0**	**47.4**
Manufacturing	**7.9**	**7.6**
Electricity, gas and water	**1.9**	**2.4**
Construction	**2.8**	**3.3**
Wholesale and retail trade	**3.7**	**4.2**
Hotel and resturant	**0.6**	**0.8**
Transport	**2.2**	**3.1**
Tele	**3.1**	**3.5**
Financial intermediation and insurance	**7.7**	**8.7**
Other services	**8.0**	**8.9**
Public adminstration and defense	**9.5**	**10.9**
Education	**5.1**	**5.8**
Health and social work	**3.3**	**3.8**
Household with Employed Persons	**1.4**	**1.8**
Sub-Total	**110.5**	**112.6**
Less: FISIM	**5.3**	**6.0**
Gross Domestic Product at basic prices	**105.2**	**106.5**

Plus: Taxes less subsidies on products	**-5.2**	**-6.5**
GDP at market's values	**100.0**	**100.0**

***** Numbers of 2024 correspond to Q1 Q2 Q3 only**, all numbers in 10K KWD

Source(s): Kuwait Central Statistical Bureau (last update is for 2024)

ANNEX 2 – Main economic data

Kuwait main economic data

	2022	**2023**	**2024***
GDP (USD bn)	182.5	161.78	160.4
GDP per Capita (USD)	37620	326400	31720
Growth Rate (% of GDP)	6.1	-2.2	-1.4
Inflation rate (%)	4	3.6	3.3
Uneployement rate (Kuwaiti only % of work force)	2.2	2.124	N-A
Current account balance (% GDP)	34.5	32.8	30.1
Population data			
Kuwaiti nationals	1488716	1517076	1545781
Expats	2897001	3276492	3367490
Total	4385717	4793568	4913271

***** Source: IMF, World Economic Outlook (April. 2024)

** Source: Kuwait CBS 2024 and Public Authority for Civil Information PACI 2024

*** Source IMF World Economic Outlook as of April 2025 https://www.imf.org/en/Countries/KWT

Trade partners of KUWAIT

Imports (without oil) in 1'000 of KWD

Rank	Country	2022	2023	% Difference
1	People's Republic Of China	2'066'285.00	2'281'927.11	10.44
2	United States Of America	946'722.00	1'045'105.39	10.39
3	United Arab Emirates	1'315'164.00	1'039'754.17	-20.94
4	Japan	575'530.00	706'478.32	22.75
5	India	599'911.00	633'344.90	5.57
6	Saudi Arabia	577'713.00	597'516.78	3.43
7	Germany	434'066.00	505'937.87	16.56
8	Italy	425'949.00	449'031.99	5.42
10	**Switzerland**	252'101.00	326'170.27	29.38
	Total	11'005'347.00	11'515'936.16	4.64

It is important to underline that the official statistics do not entirely reflect the reality: goods exported from Switzerland to the UAE (Dubai) and then re-exported to Kuwait (e.g. watches, gold etc.) are generally recorded as UAE exports to Kuwait. This is because the UAE is in principle considered the country of export even if the goods are merely passing through the UAE's territory for a short period (including in its free-trade zones) before continuing to Kuwait.

Exports (without oil) in 1'000 of KWD

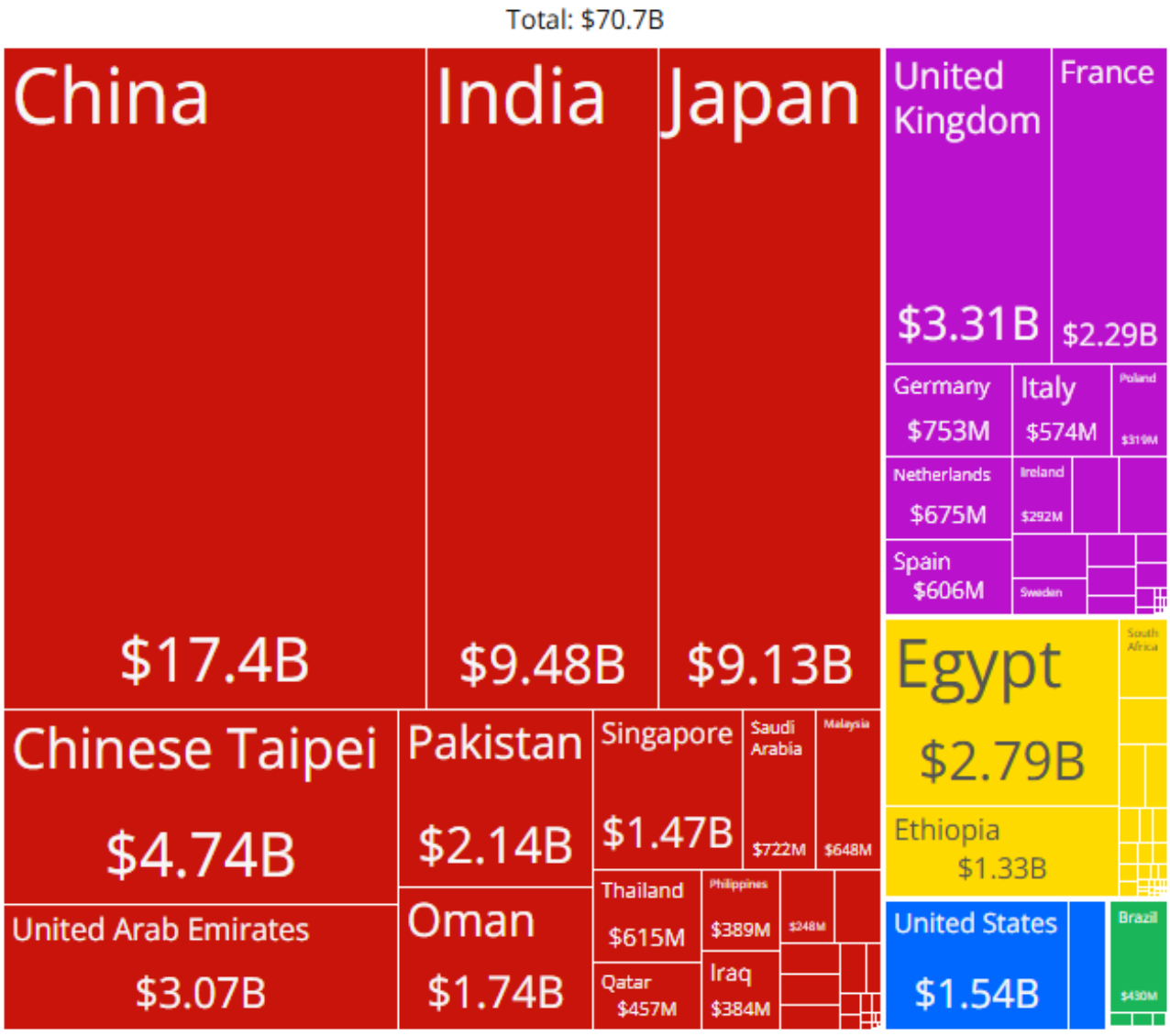
Rank	Country	2022	2023	% Change
1	United Arab Emirates	302'464.00	399'393.89	32.05
2	India	271'680.00	326'595.69	20.21
3	Saudi Arabia	258'417.00	216'699.16	-16.14
4	People's Republic Of China	167'787.00	181'516.20	8.18
5	Iraq	71'454.00	118'064.15	65.23
6	Pakistan	143'090.00	104'922.62	-26.67
7	Qatar	86'618.00	74'122.66	-14.43
8	Egypt	27'349.00	36'881.06	34.85
33	**Switzerland**	7'607.00	6'215.43	-18.29
	Total	30'554'742.00	25'797'482.53	-15.57

Source(s): Kuwait Central Statistical Bureau 2025

Kindly note that oil is not included by country in the above data, please refer to graph on the next page for the main destinations of Kuwaiti Crude and petrochemicals for the year 2023 (https://oec.world/en/profile/country/kwt#historical-data).

Who was buying Kuwaiti oil in 2023?

Source: https://oec.world/en/profile/country/kwt#historical-data



ANNEX 4 – Bilateral trade

Bilateral trade between Switzerland and KUWAIT (with gold)

Year	Import Value (CHF)	Value +/- %	Export Value (CHF)	Value +/- %	Balance Value (CHF)	Import + Export Value +/- %	
2018	**54'044'453**	**-26.7**	**464'229'084**	**-0.3**	**410'184'631**	**518'273'537**	**-3.9**
2019	**38'819'136**	**-28.2**	**482'829'299**	**4**	**444'010'163**	**521'648'435**	**0.7**
2020	**6'735'248**	**-82.6**	**401'866'357**	**-16.8**	**395'131'109**	**408'601'605**	**-21.7**
2021	**13'423'656**	**99.3**	**479'113'418**	**19.2**	**465'689'762**	**492'537'074**	**20.5**
2022	**12'685'689**	**-5.5**	**524'979'105**	**9.6**	**512'293'416**	**537'664'794**	**9.2**
2023	**19'056'968**	**50.2**	**641'787'283**	**22.3**	**622'730'315**	**660'844'251**	**22.9**
2024	**18'413'822**	**-3.4**	**630'791'205**	**-1.7**	**612'377'383**	**649'205'027**	**-1.8**

Source : SECO

Swiss EXPORT to Kuwait 2024 (Federal office for customs and border security + SECO)**:**

Type of goods	Value (million CHF)	Value +/- %	% of total
Total trade overall	631	-1.7	100
01 - Agricultural and forestry products, fisheries	73	0.7	11.6
02 - Energy carriers	2	94.3	0.2
03 - Textiles, clothing, shoes	6	-13.6	1
04 - Paper, paper products and graphic items	1	-13.9	0.2
05 - Leather, rubber, plastics	4	-9.5	0.7
06 - Products of the chemical-pharmaceutical industry	216	3.8	34.3
06.2.1 - Pharmaceutical products, vitamins, diagnostics (incl. active substances)	197	1.1	31.3
07 - Stones and earths	0	-20	0
08 - Metals	4	-5.7	0.6
09 - Machinery, equipment, electronics	61	193.8	9.6
10 - Vehicles	2	54.8	0.3
11 - Precision instruments, watches and jewellery	250	2.5	39.7
11.1 - Precision instruments, apparatus and devices	15	-1	2.3
12 - Miscellaneous goods such as musical instruments, home furnishings, toys, sports equipment, etc.	3	-29.2	0.5
13 - Precious metals, gemstones and jewellery stones (including gold and silver bars from 1.1.2012)	8	-89.1	1.2
13.2 - Precious metals (including gold and silver bars from 1.1.2012)	8	-89.1	1.2
14 - Works of art and antiques	0	801.6	0

Main investing countries in KUWAIT **Year: 2021**

Rank	**Country**	**Direct investment** (USD, stock)	**Share**	**Variation** (stock)	**Inflows over past year** (USD)
1	Qatar	3,902	24.15%	18.67%	3,288
2	KSA	961	5.95%	5.84%	908
3	Bahrain	821	5.08%	10.05%	746
4	UAE	768	4.75%	-9.43%	848
5	Oman	468	2.90%	6.36%	440
6	USA	59	0.37%	-3.28%	61
7	France	55	0.34%	-1.79%	56
8	China	55	0.34%	0%	55
9	Cayman Islands	28	0.17%	100%	14
10	Rep. Korea	2	0.01%	0%	2
…	EU	NA	%		….
…	*Switzerland*	NA	*..%*	%	3
	Other not specified	9,037	55.94%	10.92%	8,147
	Total	16,156	100%	10.92%	14,565

Source(s): IMF

Kuwait Foreign Direct Investment (FDI) increased by 372.4 million USD in September 2022, compared with an increase of 7.5 million USD in the previous quarter (CEIC Data, 2023). The Kuwait Direct Investment Promotion Authority intelligence unit pointed out that incoming flows have tended to decline since 2016. However, it expects these inflows to rise to a still modest annual average of about $600 million in 2022-2026, as the gradual privatization of state assets provides opportunities for foreign investors, and projects are being launched. Public-private partnerships go beyond the utilities sector and infrastructure projects as part of the New Kuwait Vision 2040 development plan (Kuwait Direct Investment Promotion Authority, 2022).