Embassy of India
Kuwait
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Weekly Economic Report
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Kuwait praises World Food India ’25 as global food partnership platform

Kuwait Ambassador to India Mishal Mustafa Al-Shemali stated that the World Food India 2025, which kicked off in New Delhi with the participation of 21 countries and 150 international participants, is a great platform for establishing partnerships with global food markets. This year’s Indian global food expo, held from September 25 to 28, enjoys significant patronage and support from Indian Prime Minister Narendra Modi, given its importance for economic development and investment in the food sector, and considering India’s role as a major food production and export hub for the world. The Ambassador added that the food expo is a suitable platform for establishing strategic partnerships with global food markets, particularly with the Indian food market, which is one of the world’s most important food baskets and contributes to global food security through abundant production and diverse exports.

Finance Ministry fines three foreign firms 37.9 million dinars for tax violations

Kuwait’s Ministry of Finance announced the assessment of profits and penalties on three foreign companies for failing to submit tax declarations and required financial statements, with total dues reaching 37.935 million dinars. The first company, based in the United Kingdom, failed to file tax declarations for fiscal years between December 31, 2014, and December 31, 2019. Its outstanding dues amounted to 22.229 million dinars. The second company, based in India, M/s Coromandel Infotech India Ltd. did not submit its declaration for the fiscal year ending December 31, 2015, incurring dues of 3.819 million dinars. The third company, based in France, failed to file declarations covering fiscal years from December 31, 2014, through December 31, 2024, with a total of 11.887 million dinars in outstanding amounts.

Kuwait attracts leading US financial firms

Kuwait’s financial landscape is witnessing a major shift as several leading American financial institutions prepare to establish offices in the country. The move follows BlackRock’s opening of its Kuwait office in September, with Goldman Sachs, The Carlyle Group, Franklin Templeton, and State Street now expected to follow suit. Their presence is expected to deepen ties with Kuwait’s $1 trillion sovereign wealth fund and

support broader economic reforms. This development comes on the heels of Kuwait's successful $11.25 billion sovereign bond issuance, managed partly by Goldman Sachs, marking its first return to global markets since 2017. According to the International Monetary Fund, the entry of these firms could help push Kuwait's GDP growth to 2.6% in 2025, up from earlier forecasts of 1.9%. The United Nations Conference on Trade and Development (UNCTAD) reported that Kuwait attracted $614 million in foreign direct investment in 2024, while outward flows reached $10.3 billion.

Non-oil growth supports Kuwait's recovery: IMF

The International Monetary Fund stated that Kuwait's economy is recovering amid higher oil production and robust non-oil growth. This came following an International Monetary Fund (IMF) mission in Kuwait City, led by Mr. Francisco Parodi, spanning from September 15 - 22, 2025. It was noted that Inflation continues to moderate, but lower oil prices are weighing on the fiscal and external balances. Following a contraction in 2024, Kuwait's real GDP is projected to grow by 2.6 percent in 2025; This recovery is supported by a 2.4 percent rebound in oil sector output following the easing of OPEC+ production cuts, and a 2.7 percent rise in non-oil growth, underpinned by resilient private domestic demand.

KOC nears its 3rd offshore discovery

Kuwait Oil Company (KOC) is nearing the announcement of its third offshore discovery - the Jazza offshore field - in the fourth quarter of this year or early next year According to informed oil sources, this will mark the completion of 50 percent of the first phase of KOC's offshore exploration plan, which involves drilling six offshore wells. Kuwait Petroleum Corporation has high hopes for offshore exploration, given the vast untapped oil and gas potential in the region. The recent discoveries are expected to raise Kuwait's proven crude oil reserves from 102 billion barrels to at least 115 billion. Beyond boosting reserves, the discoveries will play a major role in enhancing domestic gas supplies, reducing reliance on imports, and creating opportunities for the recruitment of national talent.

Kuwait Airways restructures capital to erase $983 million in losses

Kuwait Airways' shareholders approved a capital restructuring move to wipe out 300 million Kuwaiti dinars (approximately $983 million) of accumulated losses. The extraordinary general assembly, held on September 2, authorized a reduction of the airline's paid-up capital by 294 million dinars, bringing it down to 683.7 million dinars. The legal reserve was also cut by 6 million dinars. Additionally, shareholders approved an increase in the airline's issued capital by 300 million dinars, with payments to be scheduled by the Kuwait Investment Authority, which wholly owns Kuwait Airways. Following these adjustments, the carrier's issued capital now stands at 983.66 million

dinars. Kuwait Airways had previously signaled its goal to break even in 2025 after years of cumulative losses, though it has yet to release financial results for 2023 and 2024.

KFAED, FAO ink $685,000 grant agreement

The Kuwait Fund for Arab Economic Development (KFAED) has signed a $685,000 grant agreement with the Food and Agriculture Organization of the United Nations (FAO) to support a project aimed at enhancing the overall performance of the Public Authority for Agricultural Affairs and Fish Resources (PAAAFR) in Kuwait. In a press statement, KFAED said the project will develop a roadmap to strengthen the authority's institutional performance, improve its capacities, implement proposed projects and provide a comprehensive database for its departments. The initiative also includes training courses and workshops to enhance the skills of PAAAFR employees. The project is expected to be implemented over a nine-month period.

Kuwait raises $11.25B in landmark triple-tranche debt deal

Kuwait has made a highly successful return to the international debt capital markets with a landmark US$11.25 billion triple-tranche issuance, its first since 2017. The deal attracted overwhelming demand, pricing at some of the tightest spreads ever achieved by a sovereign issuer in emerging markets. The issuance comprised a US $3.25 billion 3-year, a US$3.0 billion 5-year, and a US$5.0 billion 10-year tranche. Final pricing landed at T+40 bps, T+40 bps, and T+50 bps respectively, materially tighter than Kuwait's debut transaction in 2017. The transaction was 2.5 times oversubscribed, with the order book peaking at US$28 billion. More than 66% of allocations went to investors outside the MENA region, including 26% into the U.S., 30% into Europe and the UK, and 10% into Asia, reflecting Kuwait's deepening integration into global markets.

With kind regards,

(Davinder Punj)
Second Secretary (Commerce)