

Embassy of India
Kuwait

Weekly Economic & Commercial Report
12 December to 18 December 2025

GCC industrial investments reach \$616 billion in 2025, Kuwait secures \$225 billion

Kuwait posted a strong industrial performance in 2025, with total investments reaching \$225.11 billion, placing it among the leading industrial economies in the GCC, driven mainly by non-metallic products (\$63.49 billion), manufactured metal products excluding machinery (\$50.64 billion), and food products (\$33.85 billion), alongside notable investments in rubber and plastics, beverages, chemicals, furniture, paper products, and basic metals, reflecting broad-based diversification; across the GCC, investments in the top 60 industrial projects totaled \$616.27 billion, underscoring the region's wider shift from oil dependence toward a more diversified industrial and technological growth model.

1.2 billion dinars contract gets nod for Phase One of Mubarak Al-Kabeer Port

Kuwait has taken a major step toward advancing the Mubarak Al-Kabeer Port project after the State Audit Bureau approved the EPC contract for completing Phase One, unlocking progress on the remaining stages, with the next contract expected to be signed shortly at an estimated cost of KD 1.2 billion. The project, the first to move forward among Kuwait's agreements with China, is designed to develop the port into a regional transport and logistics hub in line with Vision 2035, supporting economic diversification, boosting trade activity, and strengthening Kuwait's role in regional commerce through modern infrastructure, dredging works, advanced port equipment, and comprehensive project management.

CBK slashes discount rate by 25 basis points to 3.5%

The Central Bank of Kuwait (CBK) has cut its discount rate by 25 basis points to 3.5 percent as part of its ongoing assessment of global and domestic economic and monetary developments. The move is aimed at supporting economic activity, aligning monetary policy with local conditions, and safeguarding financial stability, while noting the continued stability and attractiveness of the Kuwaiti dinar as a store of savings. The bank reiterated that it will continue to closely monitor economic

indicators and use appropriate monetary and financial stability tools to maintain monetary and financial stability in Kuwait.

Historic ‘Geopark’ has big potential to spike tourism

Kuwait is moving ahead with the Kuwait Geopark project to transform a unique geological site north of Kuwait Bay into a major tourism destination, highlighting its environmental, climatic and historical value. Supervised by the Ministry of Information and implemented by Kuwait Oil Company in cooperation with the Touristic Enterprises Company, the Kuwait Geosciences Society and other state bodies, the project aims to introduce diverse tourism activities while strengthening public-private partnerships. The site, which features Subiya’s distinctive desert formations and the Jal Az-Zor escarpments and dates back to the Ubaid period (c. 5500–4900 BC), is considered of exceptional archaeological significance and has strong potential for inclusion on the UNESCO Global Geoparks list.

Kuwait and Abu Dhabi Ports ink MoU to develop Shuaiba container terminal

The Kuwait Ports Authority has signed a memorandum of understanding with Abu Dhabi Ports Group to develop and operate the container terminal at Shuaiba Port, located about 60 km south of Kuwait City, through a future concession agreement. The MoU sets a preliminary framework for cooperation under which Abu Dhabi Ports Group will carry out technical, environmental and financial studies in line with international standards, while KPA will define the project area and facilitate required approvals. The partnership aims to upgrade the existing container terminal, improve operational efficiency, strengthen supply chains, and enhance Shuaiba Port’s role in supporting Kuwait’s trade flows and positioning the country as a regional logistics hub.

PAHW, Korea team explore strategic housing partnership

Kuwait’s Public Authority for Housing Welfare is advancing negotiations with the Korea Land and Housing Corporation to develop investment land within the South Saad Al-Abdullah residential city under an existing bilateral MoU, as part of efforts to strengthen international partnerships, exchange expertise and accelerate housing development. The talks aim to speed up implementation of new residential cities and enhance project readiness, with South Saad Al-Abdullah positioned as one of Kuwait’s largest and most strategic housing projects due to its expansive area, prime location and capacity to deliver thousands of housing units while offering attractive public and private investment opportunities.

Ardian eyes Kuwait for regional expansion hub

The French investment firm Ardian is planning to open an office in Kuwait to capitalize on growing opportunities in the Gulf Cooperation Council (GCC) countries. They are expected to open a branch next year, serving as a gateway for Kuwaiti investors to Europe. Wafra, owned by the Public Institution for Social Security, acquired a minority stake in the French company last month. Ardian manages assets worth approximately \$196 billion and would be the first major European private equity firm to establish a presence in Kuwait. The company has nearly 20 offices worldwide, including one in Abu Dhabi.

Kuwait and IMF discuss reforms, taxes, subsidies

Kuwait's Minister of Electricity and Water met with an IMF delegation led by Mission Chief Francisco Parodi to discuss reforms targeting non-oil revenues, subsidy adjustments, selective taxation, and overall fiscal sustainability. The talks focused on reforming public subsidies to better support those in need, while the IMF emphasized the importance of boosting non-oil revenues - which currently account for only 10–15 percent of public income - to reduce dependence on oil and stabilize the economy. The meeting aligns with ongoing IMF recommendations encouraging accelerated reform implementation to support economic diversification, enhance competitiveness, and drive non-oil growth in Kuwait.

Kuwait, Morocco explore aviation, economic ties

Kuwait is moving to strengthen cooperation with Morocco across civil aviation and trade, with discussions focusing on improving air connectivity, operational efficiency, and safety standards, alongside expanded technical cooperation and training. The talks also aligned with broader efforts to deepen economic ties, highlighted by the Kuwaiti-Moroccan Business Forum, which underscored growing trade volumes, rising Moroccan exports to Kuwait, expanding investment opportunities across multiple sectors, and increasing tourism flows, reflecting the steady momentum in bilateral relations.

With kind regards,

(Davinder Punj)
Second Secretary (Commerce)