

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Committee on Trade in Industrial Products

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Group 4 - Licensing

REPLIES TO QUESTIONNAIRE ON LICENSING

Addendum

KUWAIT

I. General licensing

Licences under this category are accorded to Kuwaiti merchants, companies registered in Kuwait and Chambers of Commerce and Industry (in Kuwait).

II. Special licensing

It is of two categories:

- (a) Licences accorded to petroleum companies operating in Kuwait, co-operatives and to foreigners residing in Kuwait.
- (b) Licences accorded to Saudi Arabian nationals to import goods to be re-exported to the Kingdom. (Transit)

In addition to the regulations provided for by Law No. 43 (a copy of which is attached), there are several ministerial decisions regulating or imposing limitations on importation of certain goods, for political, religious and economic reasons, or for providing protection to local industries. (For example: alcoholic drinks, wheat, flour, pipes)

Other ministerial decisions, on the other hand, exempt certain goods from import licensing. Products which are freed from import licensing include meat, slaughtered chickens, animal products used in preparing food, fodder, barley, fertilizers and rugs.

As far as cars are concerned, each person is allowed to import one car a year for personal use. Trucks and buses are allowed to be imported without licensir when they are essential to the activitics of individuals, and to companies operating in the country.

Foreign companies working in Kuwait under contracts with Government Agencies, are allowed to import spare parts and machines necessary for the accomplishment of their tasks until the expiration of their contract.

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The Import Control Department whose task is to supervise all imports to Kuwait and exports to foreign countries, works in co-operation with the Kuwaiti Chambers of Commerce and Industry, and with customs and ports administration as well as with the office in charge of the application of regulations relative to the boycotting of Israeli products and foreign companies on the black list.

LAW NUMBER 43 FOR 1964

Regulating Importation

We, Abdullah Al-Salim Al-Sabah, Amir of Kuwait

After taking cognizance of the Constitution the National Assembly approved the following law herein stipulated, and we have ratified and promulgated it.

Article (1)

The right to practise the operations of importing merchandise, material and equipment from abroad is hereby restricted to:

1. Kuwaiti individuals.
2. Kuwaiti companies whose partners are all of Kuwaiti nationality.
3. Share companies and companies of limited liability where Kuwaities own not less than 51 per cent of total capital holdings.

As for Soddary - Al tadhamun - companies and Societe en Commandite - Tawssiyah -, in either of its two forms, which are established by Kuwaiti and non-Kuwaiti partners it shall be permissible for them to practise importation business for two years effective as of the date this law comes into force where such a company has not secured a licence in accordance with another law.

Article (2)

The Minister of Commerce shall grant those importers mentioned in the preceding article who are registered in the Commercial Register and the Kuwaiti Chamber of Commerce and Industry, a General Import Licence in advance for a period of one year effective as of the date of its being issued.

As an exception to the rules of Article (1), importing shall be permissible on condition that an Import Permit has already been secured from the Minister of Commerce with respect to the following circumstances:

1. The importing of luggage, furniture and materials intended for personal use.
The granting of another permit shall not be permissible unless a period of two years from the date of issuing the first permit has duly elapsed.
2. The importing of postal parcels whose value do not exceed KD 100 and intended for personal use or as commercial samples not to be sold on condition that no other law is thereby breached.
3. Oil companies which have the privilege to import necessary merchandise materials and equipment in so far as the specifications of their concession contracts permit.

4. Charitable and co-operative societies authorized in accordance with the rules of the law, to import merchandise and material necessary to the advancement of their objectives.

Article (4)

Exempted from the rules of this law:

1. The importing of fresh fruits and vegetables, cattle and sheep or any living animal whose flesh is edible unless their importation is thereof prohibited by the provisions of another law.
2. That which is directly imported by and for their own account, the foreign diplomatic and political corps or any other political or international commission working in Kuwait provided that there be likewise treatment.
3. That which is imported for their own account by the Government and its administrative bodies.

Article (5)

The Minister of Commerce shall, by passing a decision to safeguard the economic interests, refuse or restrict or limit the granting of import licences for any type of merchandise and materials or for the imports of any particular country or countries, and shall also be permitted to exempt them from licensing.

Article (6)

It shall not be permissible for the Customs Authorities to deliver or clear those goods imported in a manner contrary to the provisions of this law, and it shall be imperative of their importer to re-export them on the first adequate means of transport departing the country with a period of one month from the date of arrival of the goods in question, after making him liable to all the fees legally attributed thereof.

Article (7)

Where the period mentioned in the preceding article elapses without the re-exportation of such goods, it shall be permissible for the Minister of Commerce to charge the Customs Authorities with the sale of such goods by the means of a public auction and to deposit the returns accruing from their sale at the Customs Treasury for the account of the violator after deducting all the expenses and fees.

And where the concerned person does not claim the sum deposited in his favour within a period of six months from the date of conclusion of the sale by means of public auction, that sum shall be added to the account of the Public Treasury.

Article (8)

Shall be exempted from the rules of the two preceding articles that merchandise whose covering letter of credit has been irrevocably opened at one of the local banks, and also that merchandise concluded upon on the basis of contracts or supporting document on condition that the date of opening the letter of credit or the date of conclusion of the agreement precede the date of implementation of this law.

Article (9)

The Customs Authorities shall furnish the Ministry of Commerce with an explicit copy of the Customs Statements pertaining to the clearing of any merchandise, materials or equipment within a period of one month from the date of this Statement. These Authorities shall also notify the Ministry of Commerce with a statement about that merchandise, material or equipment arriving to the country in manner contrary to the provisions of this law within a period of two days from the date of their arrival and without conducting any customs formalities on them.

Article (10)

The Minister of Commerce shall decree the procedure to be followed in applying for the acquisition of import licences and the data to be mentioned in the application and its supporting documents.

Article (11)

The Minister of Commerce shall publish the necessary orders and regulations for implementing the rules of this law.

Article (12)

The Ministers each in his own domains, shall execute this law and it shall come into force from the date of its publication in the official gazette.

Amir of Kuwait
Abdullah Al-Salim Al-Sabah

Issued on the 21st of Rajab 1384 AH Corresponding to the 26th of November 1964 AD.