

WORLD TRADE ORGANIZATION

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Committee on Trade in Financial Services

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COMMUNICATION FROM KUWAIT

Initial Offer on Financial Services

Addendum

The following communication is circulated at the request of Kuwait to Members of the Committee on Trade in Financial Services.

The State of Kuwait hereby submits the initial offer on financial services under the General Agreement on Trade in Services.

This offer is conditional. The State of Kuwait retains the right to modify or withdraw all or parts of its specific commitments on financial services at any time through 12 December 1997.

KUWAIT
INITIAL OFFER ON FINANCIAL SERVICES

Modes of supply:	(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
	Sector or sub-sector	Limitations on market access			Limitations on national treatment			Additional commitments
A. Acceptance of deposits and other repayable funds from the public	(1)	Unbound			(1)	Unbound		
	(2)	None			(2)	None		
	(3)	Unbound except for: - Foreign banks in which the Government of Kuwait, or other Kuwaiti financial or banking institutions are shareholders. A prior decision of the Council of Ministers shall be needed for each case.			(3)	Unbound except as indicated in item (3) in the column (1) of this sub-sector.		
	(4)	- Foreign participation in Kuwaiti banks should not exceed 40% of their capital. Unbound except for the case indicated in item (3) above.			(4)	Unbound except as indicated in the two cases in item (3) of column (1) of this sub-sector.		

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B. Lending of all types including, <i>inter alia</i> , consumer credit, mortgage credit, factoring and financing of commercial transactions	(1)	Unbound except for the case of participation in syndicated loans through Kuwaiti banks or Kuwaiti investment companies.			(1)	Unbound		
	(2)	None			(2)	None		
	(3)	Unbound except for the two cases in item (3) of column No. (1) of sub-sector (A).			(3)	Unbound except for the two cases in item (3) in column No. (1) of sub-sector (A).		
	(4)	Unbound except for the two cases in item (3) of column No. (1) of sub-sector (A).			(4)	Unbound except for the two cases in item (3) of column No. (1) of sub-sector (A).		
C. Financial leasing	(1)	Unbound			(1)	Unbound		
	(2)	None			(2)	None		
	(3)	Unbound except for the following:			(3)	Unbound except for the cases referred to in item (3) of column No. (1) of this sub-sector.		
	-	The two cases referred to in item (3) in column No. (1) of sub-sector (A);						
	-	the participation in a Kuwaiti investment company, provided that the foreign participation (other than GCC citizens) should not exceed 49% of the company's capital.						
	(4)	Unbound except for the cases referred to in item (3) above.			(4)	Unbound except for the cases referred to in item (3) of column No. (1) of this sub-sector.		

Modes of supply:		(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
Sector or sub-sector		Limitations on market access		Limitations on national treatment		Additional commitments			
D. All services relevant to payments and transfers		(1)	Unbound	(1)	Unbound				
		(2)	None	(2)	None				
		(3)	Unbound except for the following:	(3)	Unbound except for the cases referred to in item (3) of column No. (1) of this sub-sector.				
		-	The two cases referred to in item (3) of column No. (1) of sub-sector (A);						
		-	the participation in a Kuwaiti exchange company, provided that the foreign participation (other than GCC citizens) should not exceed 49% of the company's capital.						
E. Guarantees and commitments		(4)	Unbound except for the cases referred to in item (3) above.	(4)	Unbound except for the cases referred to in item (3) of column No. (1) of this sub-sector.				
		(1), (2), (3) and (4) are identical to the sub-sector (C).		(1), (2), (3) and (4) are identical to the sub-sector (C).					

Modes of supply:	(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
	Sector or sub-sector	Limitations on market access		Limitations on national treatment		Additional commitments		
	F. Trading for own account or for the account of customers, either in the financial market, over-the-counter or otherwise as follows: <ul style="list-style-type: none"> - Money market instruments (cheques, bills, certificates of deposits, etc.) - Foreign exchange - Derivative products, including - but not limited to - futures and options - Exchange rate and interest rate instruments, including products such as swaps, forward rate agreements, etc. - Transferable securities - Other negotiable instruments and financial assets, including dealing in gold bullions 	(1), (2), (3) and (4) are identical to the sub-sector (C).		(1), (2), (3) and (4) are identical to the sub-sector (C).				

Modes of supply:				
(1)	(2)	(3)	(4)	
Sector or sub-sector	Limitations on market access	Limitations on national treatment	Additional commitments	Presence of natural persons
G. Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and the provision of financial services related to such issues	(1) Unbound	(1) Unbound		
	(2) None	(2) None		
	(3) Unbound except for the following: - The two cases referred to in item (3) in column No. (1) of sub-sector (A); - the participation in a Kuwaiti investment company, provided that the foreign participation (other than GCC citizens) should not exceed 49% of the company's capital; - the underwriting and the exchange of foreign securities (shares, bonds, mutual funds units, etc.) are allowed in Kuwait through a Kuwaiti agent, only after the necessary licence is issued by the Ministry of Commerce and Industry, and after approval of the Central Bank of Kuwait if that agent is under the supervision of the CBK.	(3) Unbound except for the cases referred to in item (3) in column No. (1) of this sub-sector.		
	(4) Unbound except for the cases referred to in item (3) above.	(4) Unbound except for the cases referred to in item (3) of column No. (1) of this sub-sector.		

Modes of supply:		(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
Sector or sub-sector		Limitations on market access		Limitations on national treatment		Additional commitments			
H. Speculations in money markets		(1), (2), (3) and (4) are identical to the sub-sector (C).		(1), (2), (3) and (4) are identical to the sub-sector (C).					
I. Management of assets, such as management of portfolio investments, liquid assets, all forms of collective investments, pension funds and investment trustee services.		(1), (2), (3) and (4) are identical to the sub-sector (C).		(1), (2), (3) and (4) are identical to the sub-sector (C).					
J. Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments		(1) Unbound (2) None (3) Unbound except for the participation in a Kuwaiti company licenced to exercise the same activity, provided that the foreign participation (other than GCC citizens) should not exceed 49% of the company's capital. (4) Unbound except for the case referred to in item (3) above.		(1) Unbound (2) None (3) Unbound except for the case referred to in item (3) of column No. (1) of this sub-sector. (4) Unbound except for the case referred to in item (3) of column No. (1) of this sub-sector.					

Modes of supply:		(1)	Cross-border supply	(2)	Consumption abroad	(3)	Commercial presence	(4)	Presence of natural persons
Sector or sub-sector		Limitations on market access			Limitations on national treatment			Additional commitments	
K. Advisory and other auxiliary financial services on all the activities listed in Article 1B of MTN.TNC/W/50, including credit analysis, researches, investment and portfolio research and consultations on acquisitions and on corporate restructuring and strategy	(1), (2), (3) and (4) are identical to the sub-sector (J).			(1), (2), (3) and (4) are identical to the sub-sector (J).					
	(1) Unbound except for the provision and transfer of financial information supplied directly from abroad to the subscribers in Kuwait.			(1) Unbound except for the case referred to in item (1) in column No. (1) of this sub-sector.					
	(2) None			(2) None					
	(3) Unbound except for the participation in a Kuwaiti company licenced to exercise the same activity, provided that the foreign participation (other than GCC citizens) should not exceed 49% of the company's capital.			(3) Unbound except for the cases referred to in item (3) of Column No. (1) of this sub-sector.					
L.	(4) Unbound except for the cases referred to in items (1) and (3) above.			(4) Unbound except for the cases referred to in items (1) and (3) of column No. (1) of this sub-sector.					