

August 2020

SME's in Kuwait: Data, Prospects and Challenges



Research Highlights:

Analysing the SME landscape across the Kuwait economy.

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Key highlights

- SMEs are the strategic drivers for global economic growth and development.
Globally, MSMEs constitute over XX% of all enterprises and account for XX% of total employment and XX% of GDP. Across the developed economies like the EU and OECD countries, SMEs account for XX% of all enterprises.
- SMEs in Kuwait are yet to play a central role in the country's development.
SMEs contribution to the Kuwait GDP is minimal (XX%). The sector accounts for around XX% of the total enterprises and constitutes around XX% of the total employment. In Kuwait SMEs typically operate in the wholesale, retail trade, non-financial business services and construction.
- Entrepreneurial and business ecosystem are developing faster
The entrepreneurial and business ecosystem has transformed significantly over the last few years; though lags behind its GCC peers the country's recent regulatory reforms is expected to stimulate the business development.
- Challenges for SMEs remain.
Access to credit is one of the major challenges faced by SMEs. Other challenges include access to skills and training, lack of information and dependence on expatriate's talent.
- Government's holistic support could help trigger SMEs growth and innovation.
Considering alternate financing instruments to facilitate SMEs' access to finance, increasing the business opportunities through public procurement, and in international business activities are crucial. Furthermore, encouraging technological adoption and digitalization will be vital.

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