

# CLIENT ALERT

15 March 2026

## Kuwait Issues Decree Law No. 10 of 2026 Regulating the Digital Commerce Sector.

On 22 February 2026, Kuwait issued *Decree Law No. 10 of 2026 regulating the Digital Commerce Sector* (the “**Digital Commerce Law**”). Further implementing regulations (“**Executive Regulations**”) are awaited. The Digital Commerce Law introduces a legal and regulatory framework governing the offering, advertising and sale of goods and services through websites, digital platforms, applications and online channels in Kuwait. It introduces obligations aimed at enhancing transparency in digital transactions, further strengthening consumer protection in areas of commerce.

The Ministry of Commerce and Industry (“**MOCI**”) is the authority responsible for supervising and implementing the Digital Commerce Law.

### Scope of Application

The Digital Commerce Law applies broadly across digital commerce activities carried out wholly or partly through electronic means, including the offering, selling or advertising of goods and services through digital commerce platforms. For the purposes of this alert, references to **Digital Commerce Operators** refer to natural or legal persons operating digital stores or conducting digital commerce activities through such channels.

### Registration Requirement

Under the Digital Commerce Law, Digital Commerce Operators must register in the electronic registers established and maintained by MOCI prior to carrying out any digital commerce activities. MOCI will establish and manage the relevant registers and may issue additional decisions governing registration procedures and applicable requirements. Existing operators may continue operating under the current framework until the new law becomes effective, following which registration with MOCI will be required. This represents a baseline licensing/registration requirement before operating any digital store or marketplace in Kuwait.

### Key Obligations

#### **Increased transparency**

Digital Commerce Operators must clearly display specified information on their digital store, including:

- Name or trade name
- Commercial registration details
- Available contact information (including email and electronic communication links).

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## ***Clear contracting and pricing disclosure***

Before concluding an electronic contract, Digital Commerce Operators must provide consumers with clear information including:

- The steps required to complete the electronic contract
- Accurate description of goods or services
- The final price, including delivery charges and any additional fees
- Payment methods
- Delivery arrangements and timelines
- Offer validity periods
- Return or exchange policies

## ***Electronic invoicing***

Following conclusion of the electronic contract, an electronic invoice in Arabic must be issued (with the option to include another language), setting out key transaction details including price, total cost, delivery date/place and payment method.

## ***Consumer Protection***

The Digital Commerce Law introduces protections for consumers entering into electronic contracts. It provides consumers with a fourteen (14) day period to withdraw, return or exchange goods purchased electronically (subject to specified exceptions). Consumers may also cancel or amend a transaction where an error occurs during the electronic contracting process, and the system does not provide a mechanism allowing such errors to be corrected.

## ***Digital Advertising***

The Digital Commerce Law regulates digital advertising by:

- Requiring accurate provision of particular information in advertisements
- Prohibiting misleading or unlawful content
- Allowing MOCI to require correction within twenty-four (24) hours
- Enabling further regulatory measures to be taken, including coordination with relevant authorities to block non-compliant digital stores.

Where influencer marketing is used, records must be retained for at least five (5) years from the contractual agreement, and payments must align with applicable AML and Central Bank of Kuwait (“CBK”) requirements.

## ***Electronic Payments and Data Security***

Electronic payment methods used in digital commerce transactions must comply with instructions issued by the CBK. Digital Commerce Operators must process electronic payments through payment service providers licensed by the CBK.

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Operators must also comply with cybersecurity measures issued by Kuwait's National Cybersecurity Center, implementing and maintaining appropriate safeguards and periodic updates to protect transaction data. In addition, Digital Commerce Operators are required to retain electronic records and documents relating to digital commerce transactions for at least five (5) years and provide such records to MOCI upon request.

## **Innovation and Sandbox Regime**

The Digital Commerce Law also introduces a framework allowing innovative digital commerce products or services that are not addressed under the existing legislative framework in Kuwait to be tested under regulatory supervision. Further detail on the applicable conditions for such testing environment including regulatory compliance are expected to be included in the Executive Regulations.

Persons seeking to introduce such innovations may submit an application to MOCI describing the nature and features of the proposed product or service. MOCI may then establish a controlled experimental environment allowing the innovation to be tested on a limited basis.

If the innovation proves successful during the testing period and meets the applicable requirements, MOCI may recommend its incorporation into the broader regulatory framework. Whilst not specified in the law, and the Executive Regulations are still pending, it is anticipated that the relevant sector regulator would need to approve or implement the applicable regulatory treatment.

## **Committees and Dispute Resolution**

Further, the Digital Commerce Law establishes two specialized committees within MOCI:

- A Violations Committee will review breaches of the law and may take regulatory action, including, where necessary, referring matters to the Public Prosecution for matters of a criminal nature or temporarily blocking non-compliant digital platforms; and
- A Digital Commerce Dispute Settlement Committee, responsible for resolving disputes arising between Digital Commerce Operators and consumers, including disputes relating to defective products or services or non-conformity with contractual specifications.

## **Penalties**

Violations of certain provisions of the Digital Commerce Law may result in criminal penalties including:

- imprisonment for a period not exceeding one year;
- fines ranging between KWD 1,000 and KWD 10,000; or
- both penalties.

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Penalties may be increased in cases of repeated violations. The relevant authorities may also order confiscation of tools or means used in committing the violation and the closure of non-compliant digital stores in accordance with the Digital Commerce Law and its Executive Regulations.

## **Regulatory Context and Practical Considerations**

The Digital Commerce Law forms part of Kuwait's broader legal framework governing electronic transactions and digital economic activity. Electronic contracting and digital signatures continue to be governed by Law No. 20 of 2014 concerning Electronic Transactions, while consumer rights remain protected under Law No. 39 of 2014 on Consumer Protection. In addition, digital content used in online commerce remains subject to Law No. 75 of 2019 on Copyright and Related Rights. From a regional perspective, the Digital Commerce Law reflects broader regulatory developments across the GCC aimed at strengthening transparency in digital marketplaces and enhancing consumer protection in online transactions. Similar regulatory frameworks in jurisdictions such as Saudi Arabia and the United Arab Emirates impose disclosure obligations on online retailers and provide statutory withdrawal rights for consumers in digital transactions. In this context, the Kuwaiti framework introduces a structured regime including registration requirements for Digital Commerce Operators and regulatory oversight mechanisms within MOCI.

While the new framework establishes rules governing digital commerce activities in Kuwait, businesses operating cross-border digital platforms may continue to face compliance challenges arising from differing regulatory requirements across multiple jurisdictions. Digital Commerce Operators serving consumers across multiple markets often need to navigate variations in consumer protection rules, advertising standards and platform accountability regimes.

The law also addresses several areas commonly associated with digital commerce regulation, including cybersecurity safeguards relating to electronic transaction data, protection of intellectual property used in digital content and mechanisms for addressing consumer complaints through specialised committees established under the law. However, several operational aspects of the framework are expected to be clarified further through the Executive Regulations once issued.

## **When will it be enforceable?**

Further implementing regulations are expected (“**Executive Regulations**”) which must be issued within one year from the date of publication of the law in the Official Gazette. These need to be reviewed carefully for further requirements and compliance.

The Digital Commerce Law itself will not formally enter into force until one month after publication of the Executive Regulations in the Official Gazette which gives businesses a period of time to prepare and implement compliance systems.

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## **How can ICB help?**

ICB continues to monitor developments relating to the implementation of Kuwait's Digital Commerce Law and the issuance of its Executive Regulations.

Businesses operating online stores, digital platforms, marketplaces or digital advertising campaigns in Kuwait should review their operations to ensure compliance with the new framework.

If you require any assistance or have specific questions, please do not hesitate to contact our Corporate team directly using the contact information provided below. For general inquiries or to schedule a meeting, please email us at [icb@icbkuwait.com.kw](mailto:icb@icbkuwait.com.kw).

## **Contact Information:**

Ms. Aisha Alnesef, Managing Partner - [aisha.alnefef@icbkuwait.com.kw](mailto:aisha.alnefef@icbkuwait.com.kw)

Mr. Roger Phillips, Partner - [roger@icbkuwait.com.kw](mailto:roger@icbkuwait.com.kw)

Mr. Abdulaziz Almuhareb, Junior Associate – [abdulaziz.almuhareb@icbkuwait.com.kw](mailto:abdulaziz.almuhareb@icbkuwait.com.kw)

Ms. Aryaf Alajmi, Junior Associate – [aryaf.alajmi@icbkuwait.com.kw](mailto:aryaf.alajmi@icbkuwait.com.kw)

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