

29th April 2026

Capital Markets Update: Kuwait's Debt Capital Markets Listing Regime Goes Live

The long-awaited bonds and sukuk listing rules have now become effective starting 1st April 2026. Following the recent initiatives of the Capital Markets Authority (CMA) and Boursa Kuwait (BK) to enhance market infrastructure and introduce new products to Kuwaiti securities market, the CMA issued Resolution No. (38) of 2026 introducing amendments to the Executive Bylaws of Law No. 7 of 2010 (the **Executive Bylaws**) and BK issued Resolution No. (1) of 2026 amending BK's Rulebook to establish, for the first time, a regulatory framework governing the listing of bonds and sukuk on BK (the **DCM Listing Framework**).

Application of the rules

The DCM Listing Framework applies to both domestic and international issuances of conventional bonds or sukuk, with specific waivers of certain conditions for companies already listed on BK with the aim to ensure smoother access to the Kuwaiti market. It also addresses the requirements and approvals for dual listing.

Issuers have the flexibility to list their existing debt instruments to BK or tap in the market through a new issuance, whether by way of private placement or public offering. The framework also permits issuers to restrict the secondary trading of bonds and sukuk to sophisticated investors only. The issuance can also be denominated in Kuwaiti Dinars or United States Dollars.

Key provisions and requirements

The principal features of the DCM Listing Framework are summarised below. Our practitioner commentary on the points likely to require careful attention from issuers and arrangers follows in the next section.

Topic	Position under the DCM Listing Framework
Effective date	1 April 2026
Eligible instruments	Conventional bonds and sukuk; domestic and international issuances; direct and indirect (SPV) structures
Issuer eligibility	Domestic and international issuers; specific waivers from certain conditions for issuers or obligors already listed on BK

Topic	Position under the DCM Listing Framework
Currency of issuance	Kuwaiti Dinars or United States Dollars
Minimum issuance size	KWD 100,000 (or its equivalent in other currencies)
Placement	Public offering or private placement
Investor base	Open to all investors, or, at the issuer's election, restricted to sophisticated investors only
Dual listing	Permitted, subject to specific approvals; the framework expressly addresses instruments primarily listed on a recognised international exchange
Application requirements	Corporate documents; internal and external approvals; audited financial statements; appointment of a listing agent
CMA / BK review period	Up to 30 days from submission of a complete file
Credit rating	Standalone credit rating at the level of the instrument
Continuing disclosure	Ongoing listing disclosure obligations under the Executive Bylaws and the BK Rulebook
Trading	On-exchange trading; off-market trades expressly addressed
Settlement & clearing	Kuwait Clearing House and Kuwait Securities Depository (the interplay with Euroclear / Clearstream is not addressed in the framework)

Potential challenges and gaps

Timing. While accessibility to market liquidity requires certainty of timing based on market conditions, the DCM Listing Frameworks sets the review period of listing application to up to 30-days from the dates of submitting all required documents to CMA and BK. This is a key gap compared to regional and international markets where review period takes up to 10 *calendar* days. The Kuwaiti window is therefore approximately three times the regional norm. Experience, and a pre-clearance protocol of the kind already operating for equity issuances, should narrow that gap.

Credit rating. The rules require a standalone credit rating at the level of the instrument. The international programmes used by Kuwaiti banks and the sovereign rely on issuer-level or programme-level ratings. A per-instrument requirement adds, in our experience, costs and timing

burden on issuers and is particularly disruptive to tap issuances. Recognition of issuer-level ratings, or equivalence, would address this materially.

SPVs and cross-border clearing. Another important component of the issuance structuring is the timing required to incorporate the SPV in the event of indirect issuances. Most local issuers use DIFC or Cayman Island entities due to the flexibility in incorporating the SPV within 24 to 48 hours. The Executive Bylaws, by contrast, prescribes no specific timeline for licensing of a local SPV, and the substantive licensing requirements are heavier than the offshore alternatives. As the local SPVs rules have not been tested yet, we expect that issuers will soon consider local SPVs following the issuance of the DCM Listing framework due to clear settlement and clearing process via Kuwait Clearing House and Kuwait Securities Depository framework, which remain silent on the interplay between local and international clearing processes in the event of international issuances seeking listing in Kuwait. Without a workable ICSD link, internationally placed bonds cannot be settled by global investors clearing through the international CSDs, which will, as a practical matter, constrain cross-border issuances.

ICB assistance

Following the issuance of Basel requirements, ICB has acted on the substantial majority of debt capital markets transactions issued by the State of Kuwait, Kuwaiti financial institutions and the major Kuwaiti corporates. Our experience covers conventional bond and sukuk issuances across senior, subordinated, Tier 1 and Tier 2 capital instruments, executed under both standalone and programme documentation. We have advised on over 50 international and domestic issuances, including programme establishments, drawdowns, taps, exchange offers and liability management exercises, and maintain established working relationships with the Capital Markets Authority, Bursa Kuwait, the Central Bank of Kuwait and the Kuwait Clearing House on the regulatory and execution questions that arise on each.

The DCM Listing Framework will, in our view, evolve materially over its first 12 to 24 months in operation. ICB is well placed, both technically and through long-standing engagement with the relevant regulators, to assist issuers, arrangers, trustees and investors in shaping that evolution, and in executing the first wave of issuances under the new regime.

If you would like any assistance or clarifications with regard to understanding this alert, please feel free to contact ICB by email to the contacts below.

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