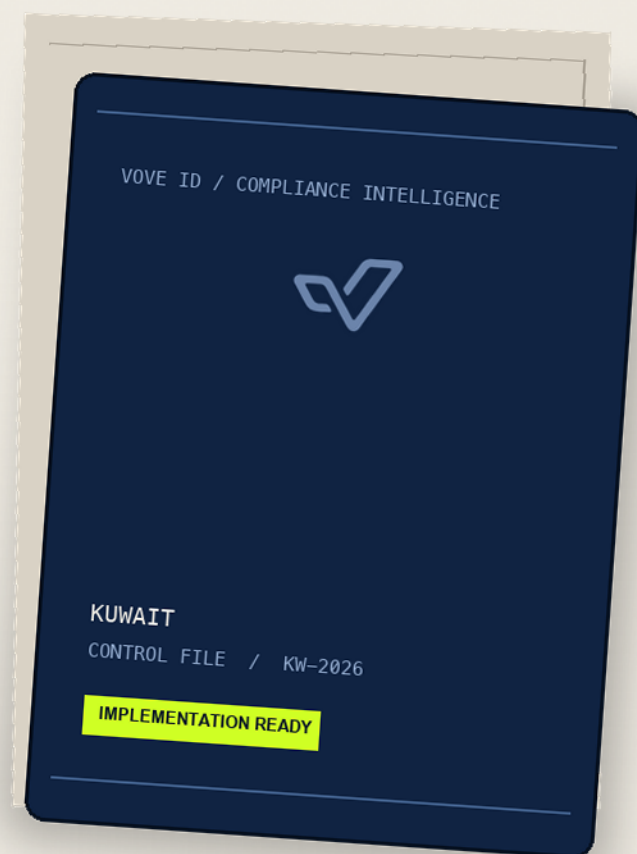


KUWAIT



KUWAIT / KW



KYC / KYB / AML

COMPLIANCE CHECKLIST

2026 EDITION

IMPLEMENTATION CHECKLIST / NOT LEGAL ADVICE



Kuwait KYC, KYB & AML Compliance Checklist

An implementation checklist for Kuwait customer due diligence, beneficial ownership, suspicious transaction reporting, sanctions, privacy, payments and virtual-asset controls.

Primary AML law	Law No. 106 of 2013, as amended
FIU	Kuwait Financial Intelligence Unit
STR timing	No later than 2 working days after suspicion; attempts and all values included
Occasional-transaction CDD	KWD 3,000 or equivalent, including linked transactions
Wire-transfer CDD	Before domestic or international wire transfers
AML retention	At least 5 years, with record-specific start events
Registry beneficial owner	25% ownership or voting rights, control by other means, then senior-management fallback
FATF public lists	Not listed at 19 June 2026

Scope and legal framework

Law No. 106 of 2013 on Anti-Money Laundering and Combating Terrorism Financing, as amended including by Law No. 24 of 2016, and its Executive Regulation issued by Ministerial Decision No. 37 of 2013, as amended, establish the national framework. CBK, Capital Markets Authority and Ministry of Commerce and Industry instructions apply by regulated activity.

FATF context

Kuwait was absent from the FATF increased-monitoring and call-for-action lists dated 19 June 2026. The MENAFATF second enhanced follow-up report adopted in May 2026 records technical-compliance progress and continued enhanced follow-up. Absence from a public list is not a low-risk classification.

IMPORTANT

General regulatory information, not legal advice or a licence determination. Reviewed as applicable on 1 October 2026. Confirm the regulated perimeter, current Arabic legal text, supervisory instructions, KFIU reporting specifications, sanctions designation, privacy scope and sector permissions with the competent authority and qualified Kuwait counsel before launch.

HOW TO USE THIS GUIDE

Turn each requirement into owned evidence

For every row, assign an owner, confirm whether the control applies, link the evidence, record gaps, and set a remediation date. A checked box is not evidence by itself.

01 / SCOPE	02 / DESIGN	03 / EVIDENCE	04 / REVIEW
Confirm institution, supervisor, product, customer and risk scope.	Map each obligation to a policy, system control or human review.	Retain the document, decision, timestamp, owner and rationale.	Test the control and update it when rules or risks change.

Checklist legend

CONTROL tells you what outcome to cover. IMPLEMENTATION ACTION translates that outcome into operational work. EVIDENCE suggests what an auditor or reviewer should be able to inspect. SOURCE points back to the primary rule or regulator guidance.

Minimum review record

Keep a compact decision record for each checklist row so a later reviewer can reconstruct what applied, who decided, and what evidence was inspected.

APPLICABILITY	OWNERSHIP	TRACEABILITY
Applicable, not applicable, or pending legal confirmation, with a short rationale.	Named control owner, reviewer, approval date and next review date.	Evidence link, source version, test result, gap status and remediation ticket.

1. SCOPE, AUTHORITIES, AND LICENSING

Scope, authorities, and licensing

Classify the entity, activity and supervisor before assigning controls.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Determine whether the entity is a financial institution or designated non-financial business or profession.	Map services, customers and Kuwait nexus to Law No. 106 of 2013 and the current activity-specific supervisory perimeter.	Perimeter memo, service and funds-flow maps, legal analysis and authority confirmation.	Law No. 106 of 2013, article 1; Executive Regulation article 1
Obtain each required licence or approval before activity.	Classify banking, finance, exchange, securities, insurance, payments, real estate, precious-metals, professional and technology features and obtain approval from the competent authority.	Licence matrix, applications, approvals, conditions and renewal calendar.	Law No. 106 of 2013, articles 13-15; applicable CBK, CMA or MOCI law and instructions
Use the current sector instruction and controlling Arabic text.	Track amendments and circulars for the exact licence; treat official English translations as informational where the authority states that Arabic controls.	Source inventory, translation protocol, change log and compliance mapping.	Executive Regulation article 17; applicable supervisory instructions

Governance and ML/TF/PF risk assessment

Governance must be risk-based, documented and available to the supervisor.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Maintain a documented and current enterprise risk assessment.	Assess customers, countries, products, services, delivery channels, new technology, sanctions and emerging risks; update for material change.	Methodology, assessment, data sources, approvals, residual-risk decisions and change log.	Law No. 106 of 2013, article 4; Executive Regulation articles 2-4 and 11
Maintain proportionate policies, systems and controls.	Document CDD, monitoring, reporting, records, sanctions, screening, training, group information sharing and escalation.	Approved framework, control map, procedures, training and issue register.	Law No. 106 of 2013, article 10; Executive Regulation articles 12-14
Designate a senior compliance officer and independent audit function.	Appoint an empowered senior compliance officer, preserve access and escalation, and independently test control design and operation.	Appointment, authority matrix, board reporting, audit plan, findings and closure tests.	Law No. 106 of 2013, article 10(c) and (e)

3. NATURAL-PERSON IDENTIFICATION

Natural-person identification

CDD covers the customer, beneficial owner and authorised representative.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Apply CDD before or during relationship establishment and at every statutory trigger.	Identify and verify the customer and beneficial owner, understand purpose and intended nature, and refresh for suspicion, doubt or material change.	Trigger analysis, identity record, verification result, purpose and completion timestamp.	Law No. 106 of 2013, article 5
Apply the KWD 3,000 occasional-transaction threshold correctly.	For a customer without an established relationship, complete CDD before a single or linked transaction at the statutory threshold; do not treat it as a universal threshold-reporting rule.	Aggregation logic, transaction samples and CDD outcomes.	Law No. 106 of 2013, article 5(3)(b); Executive Regulation article 6
Apply CDD before domestic and international wire transfers.	Do not import the KWD 3,000 occasional-transaction threshold into the separate wire-transfer trigger.	Transfer samples, CDD result and exception testing.	Law No. 106 of 2013, article 5(3)(c)
Verify identity from reliable, independent evidence.	Use the civil card for citizens and residents, passport or travel document for non-residents, and current reliable evidence required by the supervisor.	Identity attributes, source provenance, validation result and fraud checks.	Law No. 106 of 2013, article 5; Executive Regulation article 5
Identify representatives and validate authority.	Verify persons acting for the customer and obtain the instrument, document or order proving authority before instructions are accepted.	Representative KYC, mandate, authority checks and instruction limits.	Executive Regulation article 5(d)
Do not proceed when required CDD cannot be completed.	Decline or terminate the account, relationship or transaction and consider a KFIU report without tipping off.	CDD failure record, restriction or exit decision, report assessment and communications review.	Law No. 106 of 2013, article 5(5)

KYB, registry, and beneficial ownership

Registry disclosure and AML beneficial-ownership analysis are related but distinct.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Verify the legal person and understand its ownership and control structure.	Collect the commercial licence, constitutional documents, address, senior managers and reliable registry information; resolve discrepancies.	Registry extract, constitutional documents, officer list and discrepancy record.	Law No. 106 of 2013, article 5; Executive Regulation article 5(c)
Identify natural persons who ultimately own or control the customer.	Trace direct, indirect, layered and nominee structures and identify the person on whose behalf the transaction is conducted.	Ownership chart, control analysis, declarations, source documents and verified identities.	Law No. 106 of 2013, articles 1 and 5
Apply the registry 25% test with control and fallback analysis.	Identify natural persons with at least 25% ownership or voting rights; if none, identify control by other means; if still none after all reasonable means, identify the senior management official.	Calculations, control analysis, fallback rationale and identities.	MOCI Ministerial Resolution No. 4 of 2023, article 5, as amended in 2025
Maintain and update the actual-beneficiary register.	Create and submit required registers within 60 days and record or submit changes within 15 days of awareness or the applicable change event.	Register, MOCI submission, change log, notices and receipts.	MOCI Ministerial Resolution No. 4 of 2023, articles 8, 11 and 14, as amended
Do not reduce AML ownership analysis to the registry percentage.	Assess ultimate ownership, effective control and on-behalf-of activity even when no person meets the registry percentage or an exemption applies.	Separate AML and registry analyses, rationale and approval.	Law No. 106 of 2013, articles 1 and 5; Resolution No. 4 of 2023

PEPs, EDD, and remote onboarding

Enhanced measures attach to specified and higher-risk circumstances.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Identify foreign, domestic and international-organisation PEPs, family members and close associates.	For foreign PEPs apply senior approval, source-of-wealth, source-of-funds and enhanced monitoring; apply those measures to domestic and international-organisation PEPs where risk is high.	Screening, relationship map, approval, source corroboration and review history.	Executive Regulation articles 1(4) and 7
Apply enhanced due diligence to higher-risk relationships.	Obtain additional customer, purpose, wealth and funds information; increase monitoring and document acceptance or continuation.	Risk trigger, additional CDD, source evidence, approval and monitoring plan.	Law No. 106 of 2013, article 4; Executive Regulation articles 1(3) and 8
Control non-face-to-face and new-technology risk.	Assess impersonation and document risk, validate vendors and liveness methods, preserve fallback and strengthen controls where residual risk is elevated.	Method assessment, vendor diligence, testing, exceptions and fraud cases.	Law No. 106 of 2013, articles 4-5; Executive Regulation article 11

Monitoring and suspicious transaction reporting

Ongoing scrutiny and prompt escalation support reporting to KFIU.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Keep CDD current and monitor activity on a risk basis.	Examine transactions against purpose, commercial activity, expected behaviour, risk profile and source of funds where required.	Monitoring scenarios, alerts, case decisions, refresh records and quality tests.	Law No. 106 of 2013, article 5(2)(c)
Escalate suspicion without waiting for proof or completion.	Assess completed and attempted activity promptly and record the facts, reasonable grounds and formation timestamp.	Alert chronology, information reviewed, decision and decision-maker.	Law No. 106 of 2013, article 12 ; Executive Regulation article 16
Report to KFIU no later than two working days after suspicion.	Submit the report in KFIU's current method and form for transactions and attempts regardless of value; a stricter sector instruction must also be followed.	Suspicion timestamp, report, submission receipt, corrections and supervisory notice if required.	Executive Regulation article 16 ; Law No. 106 of 2013, article 12
Prevent tipping off and protect reporting information.	Restrict report knowledge and customer or third-party communications and disclose only where legally permitted.	Access controls, disclosure register, legal review, training and incident log.	Law No. 106 of 2013, article 13

Payments, wires, thresholds, and virtual assets

Transfer and technology services require exact activity and licensing analysis.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Carry and validate required wire-transfer information.	Collect and transmit prescribed originator and beneficiary information, keep it through the payment chain and do not execute an outgoing transfer when required information cannot be obtained.	Field matrix, message samples, validation rules, repair queue and dispositions.	Law No. 106 of 2013, article 9; Executive Regulation article 10
Obtain the correct payment or remittance approval before launch.	Map money or value transfer, payment instruments, electronic money, exchange and financing functions to CBK law and current instructions.	Product memo, licence, conditions, safeguarding design and tests.	Law No. 106 of 2013, article 1; Law No. 32 of 1968 and applicable CBK instructions
Do not offer virtual-asset services as a Kuwait business without a lawful current licence path.	Apply MOC's July 2023 circular and parallel regulator notices prohibiting the grant of VASP licences; re-verify current law before any crypto feature and warn customers of external-transaction risks where required.	Feature map, prohibition analysis, regulator confirmation, geofencing and customer notices.	MOCI Circular No. 80 of 2023; sector circulars dated July 2023

8. TARGETED FINANCIAL SANCTIONS

Targeted financial sanctions

The 2025 framework must be implemented using current lists and committee procedures.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Screen UN and Kuwait designations and ownership or control.	Screen customers, beneficial owners, controllers, representatives and transactions at onboarding and list updates; test aliases and controlled entities.	List versions, update logs, configuration tests, match analysis and dispositions.	Ministerial Decision No. 8 of 2025 and executive annexes
Freeze without delay when the current framework requires it.	Block dealings and prevent direct or indirect asset availability upon a true match, then use the competent notification route without waiting for an STR decision.	Match analysis, restriction timestamp, notification and authority correspondence.	Ministerial Decision No. 8 of 2025; MENAFATF 2026 follow-up, Recommendations 6 and 7
Use exemptions, licences, delisting or release only under written authority.	Identify the governing designation, apply through the current Special Committee process and implement every condition and expiry.	Regime analysis, permission, controls, reporting and release record.	Ministerial Decision No. 8 of 2025 and executive annexes

Records and regulator access

Five years is the baseline, with distinct start events by record class.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Retain CDD, account and correspondence records for at least five years.	Run the period from relationship end or the covered occasional transaction, subject to longer competent-authority directions.	Retention schedule, trigger date, archive sample, retrieval test and deletion approval.	Law No. 106 of 2013, article 11(a)
Retain attempted and executed transaction records for at least five years.	Keep sufficient detail to reconstruct each transaction from its attempt or execution date.	Transaction sample, trigger calculation, legal hold and deletion log.	Law No. 106 of 2013, article 11(b)
Retain reports and risk assessments for their statutory periods.	Keep KFIU reports and related documents for five years from reporting and each risk assessment for five years from creation or update.	Report archive, assessment versions, access controls and production log.	Law No. 106 of 2013, article 11(c)-(d)

Privacy, biometrics, breaches, and transfers

Apply the scope-specific CITRA regime and other confidentiality rules to KYC processing.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Determine whether CITRA's 2024 Data Privacy Protection Regulation applies.	Map the service, provider status, processing location and technology scope before treating the CITRA regulation as a universal economy-wide law.	Scope memo, data and service maps, regulator analysis and approval.	CITRA Decision No. 26 of 2024 and Data Privacy Protection Regulation
Process personal and sensitive data under the applicable conditions.	Document purpose and legal basis, transparency, minimisation, accuracy, security, retention and rights; apply heightened controls to biometric or sensitive identity data.	Data inventory, legal-basis map, notices, impact assessment, access and deletion tests.	CITRA Data Privacy Protection Regulation, 2024
Control processors, incidents and cross-border access.	Contract for instructions, confidentiality, security, escalation, return and deletion; assess transfer and breach duties under the exact applicable regime.	Processor contract, security review, transfer assessment, incident record and notifications.	CITRA Data Privacy Protection Regulation, 2024; applicable sector confidentiality rules

11. PRACTICAL EVIDENCE PACKS

Practical evidence packs

Evidence should reconstruct onboarding, reporting and launch decisions end to end.

CONTROL	IMPLEMENTATION ACTION	EVIDENCE	SOURCE
Maintain a reconstructable onboarding pack.	Bundle identity, authority, KYB, beneficial ownership, PEP, sanctions, purpose, risk, privacy, approvals and exceptions under stable identifiers.	Complete sampled onboarding pack and retrieval result.	Operational control supporting Law No. 106 of 2013, articles 4-5 and 11
Maintain a reconstructable KFIU and sanctions case pack.	Link activity, alert, suspicion chronology, report, receipt, confidentiality, asset restrictions and authority communications.	Complete sampled case pack, timeline and controlled-access record.	Operational control supporting Law No. 106 of 2013, articles 11-13
Maintain a launch and change pack.	Record perimeter, licences, programme, reporting connectivity, sanctions, privacy, vendors, tests and controlled uncertainties before launch or material change.	Signed launch pack, source register, tests, approvals and uncertainty log.	Official sources listed below

Verify against current official material

Primary law and regulator guidance control. Contextual VOVE ID reading is included to help teams operationalize the requirements and is not legal authority.

Law No. 106 of 2013 on AML/CFT and amendments

Kuwait Financial Intelligence Unit · Primary legislation - official English translation

[Open official source](#)

Ministerial Decision No. 37 of 2013 Executive Regulation and amendments

Kuwait Financial Intelligence Unit · Primary regulation - official English translation

[Open official source](#)

KFIU laws and decisions register

Kuwait Financial Intelligence Unit · Official legal register

[Open official source](#)

Kuwait Financial Intelligence Unit

Kuwait Financial Intelligence Unit · Official FIU information

[Open official source](#)

CBK AML/CFT instructions for local banks

Central Bank of Kuwait · Official supervisor instructions

[Open official source](#)

CBK AML/CFT instructions for exchange companies

Central Bank of Kuwait · Official supervisor instructions

[Open official source](#)

Ministerial Resolution No. 4 of 2023 on actual beneficiaries

Ministry of Commerce and Industry · Primary registry regulation

[Open official source](#)

Ministerial Resolution No. 16 of 2025 amending beneficial-owner procedures

Ministry of Commerce and Industry · Primary amending regulation

[Open official source](#)

MOCI 2023 virtual-asset circular and beneficial-owner summary

Ministry of Commerce and Industry · Official regulatory notice

[Open official source](#)

CITRA Decision No. 26 of 2024 issuing the privacy regulation

Communication and Information Technology Regulatory Authority · Primary regulatory decision

[Open official source](#)

CITRA Data Privacy Protection Regulation

Communication and Information Technology Regulatory Authority · Official privacy regulation

[Open official source](#)

Kuwait Mutual Evaluation Report 2024

FATF / MENAFATF · Authoritative assessment

[Open official source](#)**Kuwait second enhanced follow-up report 2026**

FATF / MENAFATF · Authoritative current follow-up

[Open official source](#)**FATF jurisdictions under increased monitoring - 19 June 2026**

FATF · Authoritative current status

[Open official source](#)**FATF high-risk jurisdictions subject to a call for action - 19 June 2026**

FATF · Authoritative current status

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Document control

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