

**Overview:** Kuwait lacked legal provisions that deal specifically with terrorism and terrorist financing, although the government maintained its efforts to counter terrorism and violent extremism, notably through other legal statutes and official statements. There were no significant attacks attributed to terrorists or terrorist organizations in 2012.

The risk of terrorist attacks in Kuwait remained high. As in previous years, the Kuwaiti Armed Forces, National Guard, and Ministry of Interior conducted a number of exercises aimed at responding to terrorist attacks, including joint exercises with regional and international partners.

**Legislation, Law Enforcement, and Border Security:** The Government of Kuwait lacks a clear legal framework for prosecuting terrorism-related crimes, often having to resort to other legal statutes to try suspected terrorists, which hampered enforcement efforts.

The government extended the application of the biometric fingerprinting system to include all land and sea entry points. The Interior Ministry announced plans to start operation of the advanced computer tomography x-ray monitor system at Kuwait International Airport to boost airport security authorities' ability to detect contraband items, including explosives and metals, without the need for human inspection, thus reducing the chance for human error. However, the project announced by the government to install retina scanning capabilities at ports of entry had not been implemented by year's end.

After the full implementation and distribution of smart civil ID cards to Kuwaiti citizens, the Public Authority for Civil Information started issuing the new smart ID cards to expatriates. With electronic chips that save large volumes of data, including photographs and fingerprints, the new ID cards are meant to enable holders to travel freely within the Gulf Cooperation Council (GCC) countries. Holders of the cards can also use them for electronic signature.

On May 28, Kuwait's Court of Appeals commuted the death sentences of three defendants (two Iranians and a Kuwaiti), convicted of belonging to an Iranian espionage

cell, to life in prison. The court also upheld the life imprisonment sentence for the fourth defendant (a stateless man) and the acquittal of two other Iranians, but overturned the life sentence imposed by a lower court against a Syrian defendant and acquitted him. The cell's seven members (four Iranians, a Kuwaiti, a Syrian, and a stateless man) were apprehended in May 2010 on charges of espionage, terrorist plotting, and vandalism. The Court of Appeal's verdicts are not final, and are expected to be challenged at the Court of Cassation (Supreme Court equivalent), whose rulings are final.

**Countering Terrorist Finance:** Kuwait is a member of the Middle East North Africa Financial Action Task Force, a Financial Action Task Force-style regional body. Of particular note, Kuwait lacked comprehensive legislation that criminalizes terrorist financing. In June 2012, Kuwait was publicly identified by the FATF as a jurisdiction with strategic anti-money laundering/combating the financing of terrorism deficiencies, for which it has developed an action plan with the FATF to address these weaknesses.

Kuwait had a comprehensive confiscation, freezing, and seizing framework that applies to all offenses under Kuwaiti criminal legislation. The lack of specific legislation related to terrorist finance precluded immediate freezes, although cases prosecuted under other elements of the criminal code were able to initiate freezing and confiscation of assets. Kuwait lacked an effective monitoring framework for transfers outside of the formal sector, and lacked explicit laws and regulations requiring due diligence on customer data.

The Ministry of Social Affairs and Labor and Ministry of Foreign Affairs continued monitoring and supervising charities, including enforcing the ban on cash donations, except during Ramadan; implementing an enhanced receipt system for Ramadan cash donations; and coordinating closely with the Ministry of Islamic Affairs to monitor and prosecute fraudulent charities. The monitoring of foundations was not as comprehensive as it was for charities.

Despite these obstacles, competent authorities continued efforts to combat financial crimes. The Central Bank of Kuwait engaged the International Monetary Fund in a 12-month technical assistance program aimed at addressing weaknesses in Kuwait's anti-money laundering/terrorist finance regime, and reached out to other partners as well.

For further information on money laundering and financial crimes, we refer you to the *2013 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: <http://www.state.gov/j/inl/rls/nrcrpt/index.htm>.

**Regional and International Cooperation:** On December 25, GCC heads of state signed a collective security agreement to enable member states to respond quickly to, and take appropriate preventive measures to confront potential security threats. The pact stipulates full cooperation between the six member states and delineates mutual responsibilities to preserve collective security and stability. It also promotes security coordination and information exchanges to help combat transnational and organized crime and terrorism. To be implemented, the 45-article treaty must be approved by the GCC countries' parliaments and *Shura* councils.