

Historical Background

Kuwait Fund for Arab Economic Development (The Fund) is a Kuwaiti public corporation established by the State of Kuwait in order to provide assistance to Arab and other developing countries in developing their economies and to promote cooperation and friendship between the State of Kuwait and such countries.

The Fund was established originally by Law No.35 of 1961, which empowered the Prime Minister to issue the Charter of the Fund. The operations of the Fund were confined until the year 1974 to the Arab countries, in accordance with the initial mandate of the Fund.

In July 1974 the Fund was reorganized by Law No.25 of 1974 and its object was amended so as to include the provision of assistance to developing countries in general, in addition to Arab countries. Also, the Fund's authorized capital was increased by virtue of this Law from Kuwaiti Dinars 200 Million to Kuwaiti Dinars 1000 Million.

By Law No.18 of 1981, promulgated in March of that year, the Fund's authorized capital was doubled to become Kuwaiti Dinars 2000 Million, which is now fully paid-up. The Fund's Charter was also amended to provide expressly that its mandate includes subscription to capital stocks of development finance institutions as well as capital stocks of corporate bodies which are of a developmental nature.