Executive Summary

Qatar has one of the fastest growing economies with the highest per capita income in the world. Qatar's economy is projected to continue slowing down in 2014 after recording one of the world's highest growth rates following the completion of major gas projects. Growth slowed down to an estimated 6.1 percent in 2013 and is expected to continue its downward trend to reach 5.9 percent in 2014, according to IMF estimates.

Qatar is currently undergoing massive transformation under the rubric of the 2030 National Vision, which aims to establish an advanced, knowledge-based, and diversified economy, no longer reliant on the hydrocarbon sector. The government is heavily involved in Qatar's economy, although it strongly encourages private investment in many sectors. Investments in various sectors including health care, education, tourism and financial services, among others, are expected to offer greater opportunities for foreign investment.

In June 2013 Qatar's Amir, Sheikh Hamad bin Khalifa Al Thani, abdicated to his son Sheikh Tamim bin Hamad Al Thani. The smooth transfer of power to Amir Sheikh Tamim bin Hamad Al Thani is unlikely to lead to any major changes to the country's implementation of the 2030 National Vision. Amir Sheikh Tamim is expected to continue focusing on infrastructure development, economic diversification, education, and healthcare, underwritten by the country's natural resource wealth.

1. Openness to, and Restrictions Upon, Foreign Investment

Qatar has won the right to host the 2022 FIFA World Cup. Preparations will have a lasting impact on Qatar's real estate, construction, and finance markets as companies scramble to obtain a portion of the more than USD 150 billion in infrastructure investments needed before 2022. The government has allocated 40 percent of its budget through 2016 to infrastructure projects, including USD 11 billion on a new international airport, USD 5.5 billion on a deepwater seaport, and USD 12.36 billion on improving and creating road networks. Qatar will also invest USD 20 billion to USD 25 billion in tourism infrastructure development. The largest planned development is the USD 29 billion metro and rail project. It will be implemented in three phases with completion scheduled for 2022. Other focal areas include roads, industrial zones, and information and communication technology. These developments will stimulate the domestic economy and create substantial export opportunities for foreign businesses. In addition to energy and infrastructure development, significant opportunities exist for foreign investment in medical, safety and security, education, and franchising.

The main economic stimuli in Qatar are oil, gas, and related industries, in particular the development of the North Field, the largest non-associated natural gas field in the world. Qatar's liquefied natural gas (LNG) industry has attracted tens of billions of dollars in foreign investment and made Qatar the world's largest exporter of LNG. Qatar has imposed a moratorium on increasing natural gas production from the North Field that took effect in 2012 and will last until

2015. However, the Energy Ministry has indicated that it may increase its LNG production by 10 million tons if it can improve efficiency in its production units. Significant investment in the downstream sector is likely to continue.

In July 2013, it was announced that Qatar would be elevated to emerging markets status by Morgan Stanley Capital International (MSCI) Inc. Qatar first sought entry to the emerging-markets tier in 2008. The decision by the index compiler Morgan Stanley Capital International MSCI to upgrade Qatar to emerging market status from frontier market was very well received by investors and bankers. Stocks initially rose sharply reaching their highest level since September 2008. The upgrade is expected to open the country's exchange to increased global investment flows, most specifically from investors focused on emerging markets and attract considerably more foreign portfolio investment, in addition to increasing the depth and liquidity of the market, with more listings expected.

The Ministry of Finance is currently considering a law to regulate financial activities of the government and public sector organizations. The proposed legislation aims to help Qatar develop a long term investment strategy by setting up a macroeconomic unit within the Ministry of Finance to monitor overall economic management and planning. In addition, a public investment program will also be established to identify the State's major projects and ways in which to prioritize them.

Qatar's investment liberalization policies are proceeding on a gradual basis, based on a desire to protect local companies from rapid competition. Qatar gives preferential treatment to suppliers that use local content in bids for government procurement. When competing for government contracts, goods with Qatari content are discounted by 10 percent and goods from other GCC countries receive a 5 percent discount. As a rule, participation in tenders with a value of QR 1,000,000 or less is confined to local contractors, suppliers and merchants registered by the Qatar Chamber of Commerce, and tenders with a value of more than this amount do not require any local commercial registration to participate, but in practice certain exceptions exist. Tender and bid details are available at the Central Tender Committee website: http://www.ctc.gov.qa/tender-en-aspx.

Laws/Regulations of FDI

Investment Law No. 13/2000 is the primary legislation governing foreign investment. Foreign investment is generally limited to 49 percent of the capital for most business activities, with a Qatari partner(s) holding at least 51 percent. However, the law allows, upon special government approval, up to 100 percent ownership by foreign investors in certain sectors, including: agriculture, industry, health, education, tourism, development and exploitation of natural resources, energy, or mining. Qatar amended the law in 2004 to allow foreign investment in the banking and insurance sectors upon approval of the Cabinet of Ministers. Moreover, foreign financial services firms are allowed 100 percent ownership at the Qatar Financial Center (QFC). On October 31, 2009, the Council of Ministers agreed on the amendments proposed by the Ministry of Economy and Commerce to allow foreign investors to hold 100 percent stakes in certain activities, including: business consultancy and technical services; information and communication services; cultural services; sports services; entertainment services; and distribution services.

International law firms with 15 years of continuous experience in their countries of origin are allowed to set up operations in Qatar, but the license will be granted only if authorities in Qatar are convinced that the field in which the applying firm specializes is of use to Qatar. On the recommendation of the Ministry of Justice, the Cabinet may reduce the number of required years' experience or waive the condition fully. Cabinet Decision Number 57 of 2010 states that the Doha office of an international law firm would be permitted to carry out activities in Qatar only if the main office in the country of origin remains operative. These requirements do not apply to law firms registered with the Qatar Financial Center (QFC).

Foreign firms are required to use a local agent for matters related to sponsorship and residence of employees. Certain sectors are not open for domestic or foreign competition, including public transportation, electricity and water, steel, cement, and fuel distribution and marketing. In these sectors, a single semi-public company has complete or predominant control.

Qatar has begun to liberalize its telecommunications sector to permit outside private investment, starting with the issuance in December 2007 of a second mobile license to a consortium including Vodafone and the Qatar Foundation. The same consortium was awarded the country's second fixed-line license in September 2008. However, there is a minimum requirement of QR 200,000 in initial capital for any telecommunication business, which creates a barrier to entry for small entrepreneurs.

When approving majority foreign ownership in a project, the law states that the project should fit into the country's development plans. It adds that preference should be given to projects that use raw materials available in the local market, manufacture products for export, produce a new product or use advanced technology, facilitate the transfer of technology and know-how in Qatar, and promote the development of national human resources.

Non-Qataris may also have the right of land use over real estate for a term of 99 years renewable upon government approval in Cabinet-designated "investment areas." Foreigners can own residential property in select projects, including the Pearl, the West Bay Lagoon, Lusail, and the Al-Khor resort project. Law No. 23/2006 provides for foreigners being issued residency permits without local sponsors if they own residential or business property in Cabinet-designated "investment areas."

Import licenses are issued only to individuals with Qatari nationality, or companies owned or controlled by Qataris. In practice, exceptions are sometimes made for foreign companies, such as those with government contracts.

Qatar remains the second easiest country in which to pay tax globally for the fourth year running, according to Paying Taxes 2013, an annual report issued by Price Waterhouse Coopers, the World Bank, and the International Finance Corporation. Qatari nationals are not subject to any kind of corporate or income tax, although nationals are required to pay Zakat [1], which usually amounts to around 2.5 percent of profits. Although there is no income tax on salaries in Qatar, foreign investors are subject to taxation on their investment income.

On January 1, 2010 a new tax law went into effect. This law imposes a 10 percent flat rate for all non-Qatari companies and foreign partners in Qatari companies, except for the energy sector where there is a 35 percent tax rate applying to oil and gas operations, unless exempted by Amiri Decree. Companies currently receiving tax holidays or those with government tax exemptions will not be taxed until the contractual end of these agreements. If these agreements were entered into by the Government (ministry, agency, body, or public institution) prior to enforcement of the new law and no tax rate was specified, the 35 percent tax rate will be imposed, unless exempted by Amiri Decree. The tax rate and all other tax requirements set forth in agreements related to oil operations will continue to be defined by Law No. 3/2007 on the exploitation of natural wealth and resources.

The new tax law applies to revenues from business activities, contracts – which are partly or wholly implemented in Qatar – properties, including sales of stakes in the shareholding companies or privately-owned companies whose assets are mainly comprised of properties. Revenue from exploration and natural resource extraction in the state and loan interest received within the state are also taxable. Gifts, luxury items, and entertainment expenses are not deductible. Qatari-owned companies; small handicraft companies with a maximum of three workers and not exceeding 100,000 Qatari Riyals profit (USD 27,473); individual income from sources such as bank interest, stock dividends, salaries, wages and allowances; and foreign charitable and other non-profit organizations and associations and societies are all exempted from taxation.

Under Law No. 13/2000, the Ministry of Finance may grant a tax holiday of up to 10 years for new foreign investments in key sectors. Other exemptions may be granted under Law No. 21/2009 on a case-by-case basis for a period up to 6 years.

According to Article 11-2 of Law No. 21/2009, payments made to non-residents for activities not connected with a permanent establishment in Qatar shall be subject to a final withholding tax, as follows: 5 percent of gross royalties and technical fees; 7 percent of the gross interest, commissions, brokerage fees, director's fees, attendance fees and any other payments for services carried out wholly or partly in Qatar. However, the enforcement of this article is currently frozen while the government reviews a written petition submitted by Qatari banks.

Companies established in the Qatar Financial Centre (QFC) enjoyed a tax exemption since the start of operations in 2005 through 2009. QFC’s new tax regime, levying a flat 10 percent on profits, came into force in 2010, but captive insurance, reinsurance and asset management businesses are exempted.

There are two types of penalties for failing to pay taxes: penalties associated with delays in filling, and delays in payment. Companies that fail to file their tax return will be fined QR 100 per day up to a maximum of QR 36,000. Those convicted of making false statements on their taxes, or trying to evade taxes face up to three months’ imprisonment and a maximum fine of QR 15,000. A further fine of 20 percent of the tax due will be levied on companies shown to be in violation of the tax law. Penalties may be doubled for repeat offenders. Delayed payment may result in a financial penalty equal to the amount of unpaid tax, in addition to the payment of the tax due.

Judicial decisions in commercial disputes are primarily based on contractual agreements, provided these agreements are not in conflict with applicable Qatari laws. U.S. firms are strongly encouraged to consult a local attorney before concluding any commercial agreement with a local entity.

Limits on Foreign Control

On August 5, 2014 Law No. 9/2014 was issued amending some provisions of Law No. 13/2000 regulating investment of non-Qatari capital in economic activity. The newly approved law stipulates that non-Qatari investors are allowed to own no more than 49 percent of the shares of Qatari shareholding companies listed on the Qatar Exchange, after they gain the approval of the Ministry of Economy and Commerce for the proposed percentage in the company's memorandum of association and statute. Under the new amendments, these investors are also allowed to own more than the 49 percent provided that they attain cabinet approval. Importantly, Gulf Cooperation Council nationals will be treated as Qatari citizens in the ownership of companies listed on Qatar Exchange. The effect of this change is to raise the limit of permissible foreign ownership levels in the listed companies to 49 percent, which previously was limited to 25 percent in most listed companies. In addition, since non-Qatari GCC nationals, who were previously treated as foreigners for the purpose of trading in Qatari stocks, are now treated as Qatari citizens, their ownership of Qatari stocks is not counted as foreign ownership.

Foreign investors are generally not allowed to participate in initial public offerings (IPO), though exceptions are occasionally made on a case-by-case basis (primarily for other GCC nationals). Rules of foreign ownership percentage restrictions can be waived with approval from the Cabinet. In 2009, NYSE Euronext purchased a 20 percent stake in the QE for USD 200 million. The Qatar Investment Authority (QIA) owned the remaining 80 percent of the QE. At the end of 2012, the two companies signed another agreement giving QIA 88 percent of QE and 12 percent to NYSE. In October 2013, the investment arm of QIA, Qatar Holding (QH), became the full owner of the QE. QE has 42 listed companies and its market capitalization was valued at QR 460 billion at the end of December 2012. The foreign ownership of shares usually hovers around 11 percent, with most owned by other GCC citizens or local expatriates. The Mutual Fund Law (Law No. 25/2002) allows expatriates to invest indirectly in the stock market. No bonds have been traded on the Qatar Exchange so far, however; trade in Qatari Government short term Treasury Bills commenced on the Qatar Exchange from December 29, 2011, with trade in government bonds and sukuk (Islamic bonds) starting at a later stage.

There are 18 licensed banks in Qatar, 11 of which are Qatari institutions including four Islamic banks (Qatar Islamic Bank "QIB," Qatar International Islamic Bank "QIIB," Masraf Al Rayan and Barwa Bank) and 7 commercial banks (Qatar National Bank "QNB", The Commercial Bank of Qatar "Commercialbank," Doha Bank, Ahli Bank, International Bank of Qatar "IBQ," Qatar Development Bank "QDB," Al Khalij Commercial Bank "al khaliji").

Qatari regulations for local and foreign banks are the same. New licenses for new banks are available through application to the Qatar Central Bank (QCB). License requirements can be found at the following link:

http://www.qcb.gov.qa/English/SupervisionApproach/LicensingAndRegistration/Pages/Licensing.aspx

Qatar also has 20 exchange houses, three investment companies and three commercial finance companies as of September 2013.

In addition, Doha is home to the Qatar Financial Centre (QFC) which allows major international financial institutions and corporations to set up offices with 100 percent foreign ownership, and all profits to be remitted outside of Qatar. The QFC is not an offshore center nor a free zone nor a property development. Companies licensed by the QFC are free to operate in local and other currencies. Financial firms investing in Qatar enjoy an attractive tax regime; all QFC registered companies are subject to a 10% corporate tax on locally sourced profits. The QFC legal framework allows buildings in Doha to be designated as QFC sites so licensed firms do not have to be physically based in QFC premises, provided there is no objection from the Ministry of Economy and Commerce, and that they pay local market rents. As of December 31, 2011, there were 42 approved sites.

There are currently 171 licensed firms at the QFC, representing a spectrum of banks, investment companies, insurance houses, and related professional services. Approximately 70 QFC licensed firms are regulated by Qatar Financial Center Regulatory Authority (QFCRA), the QFC's independent regulatory body. QFC firms are generally limited to providing services to wholesale clients. However, insurance companies can provide services to both wholesale and retail clients, and retail asset management is allowed.

The Qatar Financial Centre Authority (QFC Authority) issued regulations governing special purpose companies, holding companies and single family offices operating in or from the QFC. The Special Company Regulations and Single Family Office Regulations (the 'Regulations') were issued on 27 September 2012. The Regulations provide for a more attractive legal, regulatory and business environment. They will expand the range of services the QFC firms will offer and the structures they may adopt, notably single family offices and special purpose companies.

On December 9, 2013 Qatar's financial sector regulatory authorities the Qatar Central Bank, Qatar Financial Center Regulatory Authority, and Qatar Financial Markets Authority launched a joint strategic plan for the "future of financial sector regulation in Qatar." The plan established a framework for financial regulation, setting out a road map of strategic priorities for the next three years (2014-2016). The goals of the plan are to enhance regulation by developing a consistent risk-based micro prudential framework; expanding macro prudential oversight; strengthening financial market infrastructure; enhancing consumer and investor protection; promoting regulatory cooperation; and building human capital.

Qatar’s economic freedom score is 71.2, and ranks 30th in the 2014 Index of Economic Freedom. Its score is essentially unchanged from the previous year, with improvements in half of the 10 economic freedoms, including business freedom, labor freedom, and monetary freedom, offset by declines in the control of government spending and trade freedom, according to the Heritage Foundation. Qatar is ranked 3rd out of 15 countries in the Middle East/North Africa region, and its overall score is above world and regional averages.

Measure	**Year**	**Index or Rank**
Transparency International Corruption Index	2013	28 of 177
Heritage Foundation’s Economic Freedom Index	2014	30 of 177
World Bank’s Doing Business Report	2014	
Ease of Doing Business		48 of 189
Starting a Business		112 of 189
Dealing with Construction Permits		23 of 189
Getting Electricity		27 of 189
Registering Property		43 of 189
Getting Credit		130 of 189
Protecting Investors		128 of 189
Paying Taxes		2 of 189
Trading Across Borders		76 of 189
Enforcing Contracts		93 of 189
Resolving Insolvency		36 of 189

2. Conversions and Transfer Policies

Due to minimal demand for the Qatari riyal outside Qatar and the national economy's dependence on oil and gas revenues, which are priced in dollars, the government has pegged the riyal to the U.S. currency. The official peg is QR 1.00 per USD 0.27 or USD 1.00 per QR 3.64, as set by the government in June 1980 and reaffirmed by an Amiri decree issued July 9, 2001.

GCC states have officially discussed harmonizing their monetary policies although they have not established a timeline for the implementation of a common currency. Despite a number of recent private sector analyses suggesting Qatar may reassess its dollar peg policy, the government has maintained the exchange rate.

Law No. 15/1990 does not allow foreign investors to enter into a joint stock company with Qatari partners. However, foreign investors can hold up to a combined total of 25 percent of the shares of Qatari companies listed on the Qatari Exchange. In addition, at least three foreign companies have been allowed to exceed this 25 percent. Exceptions are based upon a ministerial decree and are decided on a case-by-case basis. Foreign investors may own up to 49 percent, and the Qatari partners no less than 51 percent, of a limited liability partnership. Foreign partners in ventures organized as limited liability partnerships must pay the full amount of their contribution to capital in cash, or in kind, prior to the start of operations. Usually, such firms are required to set aside 10 percent of profits each year in a statutory reserve until it equals 50 percent of the venture's authorized capital. The legal reserve shall not be distributed among the shareholders; however the excess of the half of the paid-in capital may be used in distributing the profits among the shareholders (up to 5 percent of profits). This requirement is the only legal restriction to a foreign company desiring to repatriate all of its annual profit after tax deduction.

Qatar neither delays remittance of foreign investment returns nor restricts transfer of funds associated with an investment, such as return on dividends, return of capital, interest and principal payments on private foreign debt, lease payments, royalties and management fees, amounts generated from sale or liquidation, amounts garnered from settlements and disputes, and compensation from expropriation to financial institutions outside Qatar without undue delay.

Qatar Central Bank (QCB) authorized mobile phone service providers Ooredoo and Vodafone to add payment services and money transfers via mobile phones in direct collaboration with banks and licensed money exchangers in Qatar.

The Government of Qatar signed a new Anti-Money Laundering/Counter-Terrorism Finance (AML/CFT) law into force in 2010. The law addresses many of the deficiencies identified by the Financial Action Task Force (FATF) and makes money laundering and terrorist financing offences in line with international standards. It also introduces a suspicious transaction reporting regime and requirements for consumer due diligence and record-keeping. Consistent revised regulations have been issued by all three of the main financial regulators in Qatar: the Qatar Central Bank (QCB), the Qatar Financial Markets Authority (QFMA), and the Qatar Financial Center Regulatory Authority (QFCRA). All three regulators do on-site inspections to check compliance with the new law and regulations. However, significant work remains to implement the new financial regulations and there remain some deficiencies with regards to terrorism financing.

In accordance with the QCB instructions on AML/CFT, the financial institutions must apply due diligence prior to establishing business relationships. Certain originator information should be secured where a wire transfer exceeds QR 4,000. Similarly, due diligence should be made when a customer is carrying out occasional transactions in a single or several linked operations of an amount exceeding QR 55,000 or equivalent in foreign currencies per the provisions of Article 23 of Law No. 4/2010.

3. Expropriation and Compensation

Law No. 13/2000, Article 8 states: 1) Foreign investment shall neither directly nor indirectly be subject to expropriation unless such measures are for the public welfare and implemented in a non-discriminatory way, against a prompt and reasonable compensation; 2) Compensation shall be equal to the market value of the investment at the time of expropriation, and shall be paid without undue delay. There have been no cases of expropriation or sequestration of foreign investment in Qatar since nationalization in the mid-1970s of Shell and Dukhan Services (the latter was a combination of six international oil companies handling Qatar's onshore operations on the country's west coast). The foreign interests were compensated promptly.

4. Dispute Settlement

Qatar is a signatory to the New York Convention of 1958 and a member of the International Center for the Settlement of Investment Disputes (ICSID). If investment disputes occur, Qatar accepts binding international arbitration between the government and foreign investors. However, Qatari courts do not enforce judgments of other courts in disputes emanating from investment agreements made under the jurisdiction of other nations.

The civil and commercial court and the regulatory tribunal for Qatar Financial Centre (QFC) form the QFC Judiciary and the legal infrastructure behind the QFC. In addition, the court also features an Alternative Dispute Resolution (ADR) center. Although primarily concerned with hearing commercial matters arising from within the QFC itself, the QFC intends to expand the courts' jurisdiction to enable it to accept other disputes at its discretion.

In Qatar there are two concurrent bankruptcy regimes. The first is the local regime, the provisions of which are set out in the Commercial Law No. 27/2006. However, the bankruptcy law is largely untested. The bankruptcy of a Qatari citizen or a Qatari-owned company is rarely announced and the Government sometimes plays the role of guarantor to keep a bankrupt business running and safeguard creditors' rights.

The second bankruptcy regime is found in the QFC Insolvency Regulations of 2005 and applies to bodies corporate and branches registered in the QFC. There are currently two firms in the U.K. offering full dissolution bankruptcy services to QFC-registered companies.

In order to protect their interests, U.S. firms are advised to consult with a Qatari or foreign-based law firm when executing contracts with local parties.

5. Performance Requirements and Investment Incentives

Performance requirements for foreign investment in Qatar do not exist. There is no counter-trade offset program. While screening investment proposals, the government may indicate preferences for locating facilities, capital investments and other matters. Disclosure of financial and employment data is required, but proprietary information is not.

The government offers a variety of incentives to foreign investors which may include tax exemptions, property grants, energy subsidies, and low-cost financing. The following is a list of incentives sometimes offered to foreign investors:

- Natural gas priced at 60-75 U.S. cents per MBTU (Million British Thermal Units)
- Electricity offered at less than two U.S. cents per KWH (Kilowatt Hour)
- Industrial land offered at 27 U.S. cents per square meter per year for a period of 50 years, including options for renewing the lease
- Exemption from customs duties on imports of machinery, equipment and spare parts;
- Exemption on export duties
- Exemption from corporate taxes for up to ten years
- Exemption from income taxes
- Absence of quotas on imports
- Low cost financing through Qatar Development Bank (QDB)
- Flexible immigration and employment rules to enable the import of foreign labor

The same incentives are offered to Qatari investors.

Qatar does not maintain measures inconsistent with the agreement on Trade-Related Investment Measures (TRIMs), though in practice they provide preferential treatment for those who use local content in investments or government procurements.

The Ministry of Energy and Industry determines the amount of foreign equity and the extent of incentives for industrial projects. Industrial projects can be established only in designated industrial zones. Necessary investment approvals may be required from the Ministry of Health, Qatar Tourism Authority, Ministry of Municipality and Urban Planning, Ministry of Economy and Commerce, Supreme Education Council, and Ministry of Environment.

Qatar Science & Technology Park (QSTP) is the national agency charged with executing applied research and delivering commercialized technologies in four themed areas: Energy, Environment, Health Sciences and Information & Communication Technologies. QSTP is located in Qatar Foundation's Education City and has access to the resources of its cluster of universities. In addition to QSTP’s four centers, members include small companies, international corporations, and research institutions. QSTP seeks to attract U.S. and other foreign investors to start up research and development facilities in the Park, and provide opportunities for companies to engage in commercializing the technology they develop. Participating companies are allowed 100 percent foreign ownership, and exemption from payment of income tax. Microsoft, ExxonMobil, GE, Shell, Tata, Total, and ConocoPhillips are among QSTP member companies.

6. Right to Private Ownership and Establishment

The Commercial Companies Law, Law No. 5/2002, controls the establishment of all private business concerns in Qatar. The law provides for corporate mergers, corporate bonds, and the conversion of corporate partnerships into joint stock companies.

Joint ventures involving foreign partners usually take the form of limited liability partnerships. Law No. 15/1990 does not allow foreign investors to enter into a joint stock company with Qatari partners. However there are exceptions as mentioned in the “CONVERSION AND TRANSFER POLICIES” section above.

Citizens of member states of the Gulf Co-operation Council (Bahrain, Kuwait, Qatar, Oman, Kingdom of Saudi Arabia and the United Arab Emirates) also have some exemptions from the application of the foreign investment laws of Qatar, including the ability to own 50 percent of businesses, as opposed to 49 percent for other foreigners, and the ability to own freehold land in three designated zones – Lusail, Al Khuraj, and Thayleeb Mountain. In August 2014, changes were made to the foreign investment law which provide that GCC citizen investors will now be treated like Qatari nationals in owning shares of companies listed on the Qatar Exchange (QE),

7. Protection of Property Rights

Within Qatar, owners of trademarks, copyrights and patents depend on Qatari laws and regulations for protection. Intellectual property rights in Qatar are protected by Law No. 7/2002 (Copyright and Neighboring Rights Law), Law No. 30/2006 (Patent's Law), Law No. 9/2002 (Trademarks and Geographical Indicators Law), Law No. 5/2005 (Protection of Trade Secrets), and Law No. 6/2005 (Protection of Layout Design of Integrated Circuits).

Qatar adopted the GCC Patent Law and has assigned the Industrial Property Section in the Ministry of Economy and Commerce to handle issues related to trademarks, commercial indications, trade names, geographical indications and industrial design. An Intellectual Property Centre was also established by Amiri decision No. 53/2009 and is affiliated with the Ministry of Justice. This center oversees implementation of Qatari law on patents, copyright protection, and protection of trade secrets. In February 2014, the Amir of Qatar issued several decisions on the organizational structure and function of ministries, establishing and reorganizing some authorities, public institutions and governmental entities. The Office of Intellectual Property Rights is expected to transfer from a center within the Ministry of Justice to a department within the Ministry of Economy and Commerce.

According to Law No. 30/2006, patents are valid for twenty years from the date of submission. The Ministry of Health requires registration of all pharmaceutical products imported into the country and will not register unauthorized copies of products patented in other countries.

The 2002 copyright law does not explicitly provide for national treatment or coverage of unpublished works and does not criminalize end-user piracy. However Qatar is party to the Berne and Paris Conventions and abides by their mandates concerning unpublished works.

As for end-users, some Qatari companies have already complied with the law and others are making provisions to do so. The Copyright Office works with law enforcement authorities to prosecute resellers of unlicensed video and software. In 2013, the IP center carried out 15 raids from January 1 until June 30.

Qatar uses the GCC patent law with derogations as needed to comply with its obligations under the TRIPS Agreement. A joint committee between the Ministry of Economy and Commerce and Ministry of Health has yet to be established to coordinate their efforts and ensure that only patented products or authorized copies of pharmaceutical products are registered for sale.

In 2006, an Amiri Decree on patents was issued stipulating that: (1) only inventions of industrial use can be registered as a patent; (2) an industrial product or means or process of production must have something innovative about it to merit patent registration; (3) inventions in health, agriculture, plants and software development are not eligible for patent; (4) only Qatari citizens or foreigners of WTO signatory countries will be allowed to register a patent; (5) the Ministry of Economy and Commerce will frame and implement executive regulations to help enforce the law; and (6) the Ministry of Economy and Commerce will set up a patent registration office. This office has been established and named the Patents Unit and falls under the Ministry of Economy and Commerce.

As part of the GCC Customs Union, the six member states are working toward unifying their intellectual property regimes. In this respect, the GCC has recently approved a common trademark law. All six member states are expected to adopt this law as national legislation in order to implement it. However, the new law raises questions about consistency with GCC member state obligations under the TRIPS Agreement and U.S. free trade agreements with Bahrain and Oman.

Qatar is a member of the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO), and is a signatory to the following WIPO Treaties:

- WIPO Convention, since September 1976
- Paris Convention (Industrial Property), since July 2000
- Berne Convention (Literary and Artistic Works), since July 2000
- Nairobi Treaty (Olympic Symbol), since July 1983
- WCT (WIPO Copyright Treaty), since October 2005
- WPPT (WIPO Performances and Phonograms Treaty), since October 2005
- Qatar has also been a member and signatory to the TRIPS Agreement since January 1996

Embassy point of contact: Hala Rharrit RharritH@state.gov

Local lawyers list: http://qatar.usembassy.gov/legal_information.html

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at http://www.wipo.int/directory/en/.

8. Transparency of the Regulatory System

There are three regulatory bodies in Qatar. Law No. 13/2012 enacted by the Amir on December 2, 2012, set the Qatar Central Bank as the primary regulator of financial institutions. It also transferred the regulation of the insurance sector from the Ministry of Business and Trade to the Qatar Central Bank and the regulation of the Qatar Financial Center from the Qatar Financial Center Regulatory Authority to the Qatar Central Bank. The law, which unifies Qatar's three regulators, the Qatar Central Bank, the Qatar Financial Markets Authority, and the Qatar Financial Center Regulatory Authority, aims to promote financial stability and enhance regulation coordination through the Financial Stability and Risk Committee, which is headed by the Central Bank Governor.

The government is the major buyer and end-user of a wide range of products and services. Government procurement regulations provide a ten-percent preference for Qatari products and five-percent for GCC products.

The Central Tenders Committee (CTC) of the Ministry of Finance is responsible for processing the majority of public sector tenders. The CTC applies standard tendering procedures and adheres to established performance norms. It also sets the standards for rules and regulations for bidding procedures.

In tenders valued in excess of QR 100 million (USD 27 million), the CTC may invite and pre-qualify international firms to bid for a specific product or service. Technical bids submitted to the CTC are referred to the appropriate government end-user for short-listing. The CTC then opens the commercial bids and recommends the lowest priced, technically qualified bidder to the entity concerned, which will make the final award decision. Inquiries about specific award decisions should be directed to the CTC.

Some governmental entities have established internal tender committees. The Ministry of Energy and Industry, Qatar Petroleum and Ministry of Municipality and Urban Planning process all tenders independently. Qatar Armed Forces and the Ministry of Interior are responsible for issuing tenders for classified materials and services.

Foreign firms wishing to participate in government procurement programs may be required to have a local agent and provide bid and performance bonds. International bidders should contact end-users directly for information on local agent requirements.

Other regulatory policies do not significantly affect foreign investment decisions. Some U.S. companies have expressed concerns about the lack of transparency in government procurement.

9. Efficient Capital Markets and Portfolio Investment

There is no restriction on the flow of capital. The Qatar Central Bank (QCB) adheres to conservative policies aimed at maintaining steady economic growth and a stable banking sector. Loans are allocated on market terms, and foreign companies are essentially treated the same as local companies.

Qatar National Bank (QNB), 50 percent state-owned, is the largest bank in the country, with total assets equal to 50.48 percent of the total assets of all Qatari Banks (local). The total assets grew to QR 443 billion as of December 2013, representing an increase of 21.1 percent compared to December 2012 QR 367 billion.

The following represents Qatar banking sector assets, based on QCB data:

Total Assets of Banking Sector (Qatari and foreign banks):

December 2013 - QR 915,911 million increase by 10.42 percent over December 2012 - QR 820,512 million

Total Assets of Local Qatari Banks:

December 2013 - QR 878,509 million

Total Assets of Local Commercial Banks:

December 2013 - QR 652,725 million - 72.03 percent of total banking sector assets

Total Assets of Branches of Foreign Banks:

December 2013 - QR 37,402 million - 4.08 percent of total banking sector assets.

Almost all import transactions are controlled by standard letters of credit processed by local banks and their correspondent banks in the exporting countries. Credit facilities are provided to local and foreign investors within the framework of standard international banking practices. Foreign investors are usually required to have a guarantee from their local sponsor/local equity partner.

However, in accordance with QCB guidelines, banks operating in Qatar give priority to Qataris and to public development projects in their financing operations. Additionally, single customers may not be extended credit facilities by a bank exceeding 20 percent of the bank's capital and reserves. In addition, QCB does not allow cross-sharing and stable shareholder arrangements among banks and other business concerns that result in fewer shares of some corporations actually trading freely in the market. QCB requires banks to maintain a maximum credit ratio of 90 percent.

Law No.13/2012 regulates the QCB and its financial institutions. It mandates the QCB to act as a supreme authority for framing the policies for the regulation and supervision of all financial services and markets in the country. It lays the foundation for increased cooperation between the regulatory bodies in Qatar to develop and apply regulatory policies and implement international standards to deliver the objectives of Qatar’s 2030 National Vision and Qatar’s National Development Strategy (2011-2016). The most significant aspects of the law are that QCB shall be deemed an autonomous corporate body with its own budget under the direct control of the Amir. Its capital is QR 50 billion, equivalent to USD 13.7 billion, and it is fully owned by the government.

QCB acquired responsibility for the licensing and supervision of insurance companies, reinsurance companies and insurance intermediaries that were previously licensed by the Ministry of Economy and Commerce. The Law repealed Decree Law No. 1/1966 on the Supervision and Control of Insurance Firms and Agents. The Qatar Financial Markets Authority and the Regulatory Authority remain independent regulators under the management and direction of their respective boards of directors in accordance with the Law regarding the Qatar

Financial Market Authority (Law No. 8/2012) (" QFMA Law") and the Qatar Financial Centre Law (Law No.7/2005) ("QFC Law").

10. Competition from State-Owned Enterprises (SOEs)

Several state-owned companies still operate under monopoly, or exclusive rights in some economic sectors. The following are Qatar's major state-owned enterprises:

- In February 2013 Ooredoo was introduced by Qatar Telecom, Q.S.C, to replace Qtel, the former operating name. Ooredoo is a dominant player in the Qatari telecoms market and is 76 percent owned by Qataris. Its revenues from outside Qatar currently constitute more than 75 percent of its total revenue. In 2007, the mobile products and services sector was opened to competition. In 2008, the fixed line telecoms market was also liberalized. Vodafone was selected to compete in both mobile and fixed line against Ooredoo, and is 96 percent-owned by Qatari shareholders. Both companies are listed in the Qatar Exchange (QE). Prior to 2007, both the mobile and fixed line telecoms markets in Qatar were dominated by Ooredoo.
- KAHRAMAA (Qatar General Electricity & Water Corporation) operates all water and electricity activities and is 90 percent owned by Qatari shareholders. The government owns 43 percent of the capital. The government has indicated that it may privatize segments of the water and electricity sectors. A first step in this direction occurred when the Ras Laffan Power Company, which is 55 percent owned by a U.S. company, was established in 2001.
- Qatar Petroleum (QP) operates all oil and gas activities and is wholly owned by the government. QP's oil and gas fields fall into three categories - the North Gas Field, onshore oil, and offshore oil. In addition, QP carries out activities through the following subsidiaries, joint ventures and other investments:

- Al-Koot Insurance & Reinsurance
- Al-Shaheen Energy Services (ASES)
- Amwaj Catering Services (ACS)
- Gasal
- Gulf Drilling International (GDI)
- Gulf Helicopters (GH)
- Industries Qatar (IQ)
- Laffan Refinery
- Oryx GTL
- Qatar Aluminum (Qatalum)
- Qatar Chemical Company (Q-Chem)
- Qatar Fertilizer Company (QAFCO)
- Qatar Fuel Additives Company (QAFAC)
- Qatar Liquefied Gas Company Ltd. (Qatargas)
- Qatar Melamine Company (QMC)
- Qatar Petrochemical Company (QAPCO)
- Qatar Petroleum International (QPI)

- Qatar Steel Company (QASCO)
- Qatar Vinyl Company (QVC)
- Qatofin
- Q-Chem 2
- Ras Laffan Olefins Company (RLOC)
- Ras Laffan Power Company (RLPC)
- RasGas
- SEEF
- Tasweeq has the exclusive right to deliver Qatar's energy products abroad.
- Q-Post (Qatar General Postal Corporation) is the state-owned postal company. Several other delivery companies are allowed to compete in the courier market: Aramex, DHL Express, and FedEx Express.
- Qatar Airways is the country's designated National Carrier and is now wholly owned by the state.
- The subsidiaries of Qatar Investment Authority (QIA), the State of Qatar's sovereign wealth fund, also play a prominent role in the local economy:
- Qatar Holding LLC (QH), the direct strategic investment arm of QIA
- Qatari Diar, a property investment vehicle;
- Hassad Food Company (HDC), a vehicle for investment in agriculture and livestock

Qatar has notified the WTO that it does not maintain any state trading enterprises.

The government's economic strategy, as expressed in its 2030 National Vision, is to reduce the dependence of the country's budget on oil and gas.

11. Corporate Social Responsibility (CSR)

There is a general awareness of corporate social responsibility principles. Those firms that pursue CSR are viewed favorably. The Ministry of Economy and Commerce announced plans to introduce a corporate social responsibility index for companies listed on Qatar Exchange in order to measure their "social commitment." This has yet to be implemented. Many companies in Qatar, however, have begun to publicize their policies regarding corporate social responsibility, and are interested in publishing sustainability reports, including their CSR initiatives, in conjunction with their annual reports.

12. Political Violence

Qatar is politically stable. The crime rate is low. There are no political parties or labor unions. There is no known organized domestic political opposition. The U.S. government believes the potential exists for acts of transnational terrorism to occur in Qatar. Potential investors and U.S. citizens are encouraged to stay in close contact with the Embassy for up-to-date threat information.

13. Corruption

Bribery is a crime in Qatar and the law imposes penalties for public officials convicted of taking action in return for monetary or personal gain, or for other parties who take actions to influence or attempt to influence a public official through monetary or personal gain. The current Penal Code (Law No. 11/2004) governs corruption law and stipulates that individuals convicted of bribery may receive up to ten years imprisonment and a fine not greater than the amount of the bribes but not less than 5,000 Qatari Riyals (USD 1,374).

Those convicted of embezzlement and damage to the public treasury are subject to terms of imprisonment of no less than 5 and no more than 10 years. The penalty is enhanced to a minimum term of 7 and a maximum term of 15 years if the perpetrator is a public official in charge of collecting taxes or exercising fiduciary responsibilities over public monies. Investigations into allegations of corruption are handled by the Qatar State Security Bureau (QSS) and Public Prosecution. Final judgments are made by the criminal court. By Amiri Decree No. 17/2007, Qatar ratified the UN Convention for Combating Corruption, and Amiri Decree No. 84/2007 established a National Committee for Integrity and Transparency. The permanent committee is headed by the chairman of the Audit Bureau and is tasked with combating corruption in Qatar and reports directly to him. Qatar is not a party to the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials. Qatar opened the Anti-Corruption and Rule of Law Center on November 25, 2012 in Doha in partnership with the United Nations.

Qatar has retained its position as the least corrupt country in the Middle East and North Africa in the Transparency International’s 2013 Corruption Perceptions Index (CPI). Qatar was ranked 28 of 177 globally with a score of 68, same as the year before

Former Deputy Prime Minister and Minister of Energy and Industry H.E. Abdullah bin Hamad al-Attiya serves as Chairman of the Administrative Control and Transparency Authority which operates under Amiri Decree No. 75/2011. The Authority has within its jurisdiction private sector companies that provide public services. The objectives of the Authority are to help prevent official corruption and ensure that the various ministries, state agencies and their arms as well as their officials operate with transparency. The Authority is autonomous and accountable only to the Amir, who will approve an annual budget for the body prepared by its chairman. The authority is charged with investigating alleged crimes against public property or finances perpetrated by public officials.

U.S. investors and Qatari nationals, if they are agents of U.S. firms, are subject to the provisions of the U.S. Foreign Corrupt Practices Act.

14. Bilateral Investment Agreements

Qatar has 49 bilateral international investment agreements (listed below). Seventeen have been ratified including those signed with Belarus, Bosnia & Herzegovina, China, Egypt, Finland, France, Germany, India, Iran, Italy, Republic of Korea, Macedonia, Morocco, Romania, Russian Federation, Switzerland and Turkey:

- 1996 (Algeria, France, Germany, Romania, and Tunisia)

- 1998 (Bosnia & Herzegovina, Senegal, and Sudan)
- 1999 (Chad, China, Egypt, India, Iran, Morocco, Pakistan, and South Korea)
- 2000 (Eritrea, Indonesia, Italy, and Yemen)
- 2001 (Belarus, Croatia, Cuba, Finland, Switzerland, and Turkey)
- 2002 (Armenia, Gambia, and Mali)
- 2003 (Mauritania, South Africa, and Syria)
- 2004 (Libya)
- 2007 (Azerbaijan, Belgium & Luxembourg, Mongolia, Russian Federation, and Tajikistan)
- 2008 (Cyprus and Kazakhstan)
- 2009 (Jordan, Montenegro, and Portugal)
- 2010 (Lebanon, Panama, and Costa Rica)
- 2011 (Macedonia, Albania)
- 2012 (Timor-Leste)
- On the trade and economic side, Qatar signed several Technical, Trade and Economic Cooperation Agreement with the following countries:
- 2000 (Cuba, Lebanon, Yemen, and Eretria)
- 2001 (Belarus)
- 2002 (Finland, Ukraine, Mali, South Africa, Gambia, Armenia, Ivory Coast, Guinea, and Niger)
- 2003 (Mauritania)
- 2004 (Libya, and Azerbaijan)
- 2005 (Germany and Nepal)
- 2007 (Mongolia, Greece, Vietnam, Singapore, and Tajikistan)
- 2008 (Cyprus and Philippine)
- 2009 (Albania (ratified), Croatia, Bulgaria, Montenegro, and Belarus)
- 2010 (Congo, Costa Rica, Venezuela, Brazil, Argentina, and Slovenia)
- 2011 (Chad)
- 2012 (Ethiopia)

Qatar has 46 Agreements for the Avoidance of Double Taxation.

Qatar has not entered into a bilateral investment, trade, or taxation treaty with the U.S. However, Qatar and the U.S. signed a Trade and Investment Framework Agreement (TIFA) in April 2004.

15. OPIC and Other Investment Insurance Programs

Due to concerns about labor practices in Qatar, OPIC suspended its operations in Qatar in 1995. However, Qatar is working to improve its labor standards in order to reinstate OPIC coverage.

Qatar is not a member of the Multilateral Investment Guarantee Agency (MIGA).

16. Labor

According to the World Bank Migration & Remittances Fact Book 2011, Qatar has the world's highest level of migrant workers, relative to population, with non-Qataris making up 87 percent of the country's population. Qatar's labor force consists primarily of expatriate workers.

Qatar's current population is estimated at around 2.1 million as of February 2014, doubling in the last four years. Qatari citizens are estimated to number approximately 250,000 - less than one-eighth of the total population. The largest group of foreign workers comes from the Indian sub-continent. The Ministry of Interior and the Ministry of Labor regulate recruitment of expatriate labor.

The 2004 labor law and subsequent regulations provide for the right of Qatari citizens to form workers' committees in private enterprises with more than 100 Qatari citizen workers. Non-citizens are not eligible to form worker committees. Those working in the government sector, Qatari and non-Qatari, are prohibited from joining unions. Further, the law and regulations permit only a single national trade union structure and forbid affiliation with groups outside the country.

These restrictions mean that, in practice, no labor unions currently exist. Under the labor law, workers are granted the right to bargain collectively and to sign joint agreements, i.e., agreements reached between employer and worker regarding a work-related issue.

This right, however, is circumscribed by the government's control over the rules and procedures of the bargaining and agreement processes. Collective bargaining is not freely practiced, and there are no workers employed under collective bargaining contracts. The law also grants workers the right to strike, but the restrictive conditions imposed by the statute make the likelihood of an approved strike extremely remote.

Unapproved and spontaneous strikes occasionally occur, though they are typically confined to industrial areas, and resolved with intervention by the embassies or communities of the involved workers and/or shows of force by Qatari security forces. Leaders of such disturbances are routinely deported.

Employers set wages without government involvement. Local courts handle disputes between workers and employers; however, the majority of foreign workers avoid drawing attention to problems with their employers for fear of reprisals, particularly repatriation. According to source country embassies and migrant community leaders, the Labor Department was widely perceived to be objective within its mandate to enforce the labor law. The Labor Department claimed that it resolves the vast majority of worker complaints amicably, with a very small percentage referred to the labor courts for judgment.

Over the last year, the Labor Inspection Department has doubled its trained inspector corps from 150 to 300. Some labor camps have been closed and forced to comply with minimum standards by the labor inspectors. All expatriate labor must have a Qatari sponsor. Therefore, foreign investors are urged to negotiate labor visa issues with their sponsors/local agents/partners in the early stages of contract negotiation.

In order to bring an expatriate employee into the country, sponsors must submit a request to the Ministry of Labor specifying the employee's nationality and the job he will perform in Qatar. The Ministry of Labor maintains a quota system that restricts the number of workers that may come to Qatar from any particular country.

The Ministry of Interior and the current sponsor must approve all transfers of sponsorship of an expatriate from one individual or firm to another. With the approval of the Ministry of Interior, sponsorship of employees who filed valid complaints of abuse by employers can be transferred without the current employer's agreement. The Ministry of Interior may reject the transfer due to public safety.

If the residence permit is canceled, the expatriate is not allowed to return to Qatar on a work visa for a period of two years unless he obtains a no objection certificate from his previous employer. If an employee has been terminated under article 61 of the law, he is barred from reentering the country for four years from the date of his exit.

It is common practice in Qatar for expatriate workers to be provided accommodation, end of service benefits specified in their contract, and homeward passage allowance, in addition to salaries. Qatar does not have a minimum wage regulation, though Qatar's labor agreements with some countries stipulate a minimum wage for certain types of work. The Labor Law does not apply to household staff to include domestic workers, drivers, and gardeners.

Qatar is a member of the International Labor Organization (ILO). Labor experts criticize Qatar's implementation of the labor law, as enforcement is inconsistent. Qatar claims that its labor law meets ILO minimum requirements. Under the ‘kafala’ sponsorship system, employers have the unilateral power to cancel residency permits, deny workers the ability to change employers, and deny them permission to leave the country. In May, Qatar announced a major plan to reform the sponsorship system. The plan shifts power away from employers, but keeps an exit visa scheme in place.

17. Foreign Trade Zones/Free Ports

Companies operating at the Qatar Science and Technology Park (QSTP) can import goods and services duty free. Foreign entities wishing to invest in the QSTP apply for a license with the Park's managing board. No other licensing rules prevalent in the country will apply to the above businesses, although individuals, contracts and agreements are subject to the criminal and civil laws of the state. Licensed foreign companies can enjoy 100 percent ownership and full capital and income repatriation benefits.

Businesses in the QSTP are exempt from all taxes, including income tax. The property of such a business is not to be seized under any circumstance, but capital and other cash can be seized on the orders of a local court. Equipment, machinery, or any other goods being imported for use by an entity doing business in QSTP are exempt from customs duty, and goods produced in the Park are not subject to export tax.

Goods being sold within Qatar, but outside the QSTP, are subject to the normal customs duty applicable to imported products. Flammable and radioactive materials, drugs, weapons, and explosives are banned from import by any of the licensed entities, unless the licensed entity obtains the necessary permit from the competent governmental authority and a written approval from the QSTP Board.

In addition to the QSTP, Qatar established Manateq (formerly known as the Economic Zones Company), affiliated with the Ministry of Economy and Commerce, to manage and develop economic zones, although the primary focus is on Qatari SMEs. Manateq has started work on three economic zones in and around Doha, and anticipates the first phase of economic zone 1 to be operational by 2016. Priority at the zones will be given to Qatari nationals.

18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

The Government of Qatar does not publish detailed statistics for foreign direct investment (FDI) in Qatar or the government's direct investments overseas. However, according to The World Bank, foreign direct investment net inflows in Qatar were valued at USD 326.9 million in 2012, up from USD 86.7 million in 2011. The FDI outflows in 2012 totaled USD 1,840 million down from USD 6,027 million in 2011, according to the United Nations Conference on Trade and Development.

According to FDI Intelligence, a research unit of the Financial Times, Qatar saw a 29 percent decreases in FDI outflows in 2012, with FDI projects overseas falling from 38 in 2011 to 27 in 2012. The stock of U.S. foreign direct investment in Qatar was USD 8.2 billion in 2011, down from USD 10.0 billion in 2010.

Qatar FDI inward stock was USD 30,804 million in 2012 while the FDI outward stock was USD 20,413 million for the same period. Qatar liberalized foreign investment in a number of sectors, including consultancy services, information technology, services related to sports, culture and entertainment, and distribution services.

In recent years, Qatar has attracted sizeable investments in the areas of enhanced oil recovery and production, as well as the development of Qatar's gas industry. During the past ten years, QP and its partners have invested an estimated USD 100 billion in upstream and downstream operations. Qatar’s North Field, discovered in 1971, is the largest non-associated gas field in the world, with proven reserves estimated at more than 902tn cu ft. (tcf), the equivalent of about USD 162 billion barrels of oil. Qatar holds the world’s third largest gas reserves after Russia and Iran.

Qatar's 14 LNG trains are based in Ras Laffan Industrial City (RLIC), including six mega trains which produce 7.8 million tons each annually, and operated by two companies: Qatargas and RasGas Company Limited. Together, these companies provide Qatar’s 77 Mta production capacity. Qatari LNG is now delivered to over 23 markets across four continents. Qatar has a fleet of 54 LNG vessels representing some 20 percent of the world's total LNG fleet. Qatar's gas industry has attracted investors/creditors from the around the world. The following is a list of foreign equity participation investors, U.S. firms included, in some major state-owned industrial/petroleum-related industries:

Exxon-Mobil investment in Qatar is around USD 15 billion and the company currently holds around 10-30 percent stakes in 12 liquefied natural gas production units in Qatar as well as a condensate refinery.

Petrochemicals

The following companies are predominant in Qatar's petrochemical sector. Industries Qatar (IQ) 51 percent, Qatar Petroleum (QP) 49 percent Public - Industries Qatar was incorporated in 2003 - Commencement of commercial production: 1974 - Total shareholder equity as end of 2004 was USD 791.5 million - The IQ group companies are:

Qatar Steel - incorporated in 1974 as a joint venture between the Qatar government 70 percent and two Japanese companies, Kobe Steel 20 percent and Tokyo Boeki 10 percent, to establish an integrated steel plant, in 2003 it became 100 percent owned by Qatar Industries (IQ).

Qatar Fertilizer Company (QAFCO) - established in 1969 and incorporated in 1975 in a joint venture agreement between the Qatar government and two foreign shareholders. In the same year, the Government transferred its shares to Qatar Petroleum. It is jointly owned by Industries Qatar (IQ) 75 percent, Yara International 25 percent shareholders.

Qatar Petrochemical Company (QAPCO) - established in 1974 - Commencement of commercial production: 1981 - as a joint venture between Qatar Petroleum 80 percent and Total Petrochemicals 20 percent. Qatar Petroleum's shares in QAPCO were taken over by Industries Qatar in 2003 - Total capital as of 31 December 2012 was QR 7.02 billion (USD 1.93 billion).

Qatar Fuel Additives Company Ltd. (QAFAC) - incorporated in 1991 - Commencement of commercial production: 2001 - as a joint venture for the construction and operation of a methanol and MTBE production facility - is jointly owned by Industries Qatar (IQ) 50 percent, OPIC Middle East Corporation 20 percent, Lee Chang Yung (LCY) Middle East Corporation 15 percent and International Octane Limited 15 percent - Total capital QR 2.5 billion (USD 687 million) - Year established: 1992 - End users: Far East, India, Europe and Arabian Gulf - Total shareholder equity: Unknown.

Qatar Vinyl Company (QVC) is jointly owned by Qatar Petroleum 25.5 percent, QAPCO 31.9 percent and Arkema (a global chemical company and France's leading chemicals producer) 12.9 percent - Year established: 1997 - End-users: Asian countries - Commencement of commercial production: Mid-2001 - Total shareholder equity: Unknown.

Qatar Chemical Company (Q-Chem I): Equity Share Capital: Unknown - Shareholders: Qatar Petroleum (QP) 51 percent; Chevron-Phillips Chemical Company (USA) 49 percent – (ConocoPhillips has collaborated with Qatar Petroleum since 1997 with the establishment of the Q Chem I joint venture) - Year established: 1997 - End-users: Asia, Europe, Middle East and

Africa - Commencement of commercial production: 2003 - Current value of foreign equity: Unknown.

Qatar Chemical Company II (Q-Chem II): Equity Share Capital: Unknown - Shareholders: Qatar Petroleum 51 percent and Chevron Phillips 49 percent (ConocoPhillips participated with Qatar in the Q Chem II and RLOC petrochemical ventures through its 50 percent ownership in Chevron Phillips Chemicals) - Year Established: 2002 - End-users: Local and international - Commencement of commercial production: 2007 - Current value of foreign equity: Unknown.

QATOFIN: Equity Share Capital: Unknown - Shareholders: QAPCO 63 percent, Total Petrochemicals (formally Atofina) 36 percent and QP 1 percent - Year Established: 2002 - End-users: Asia and Europe - Commencement of commercial production: 2007 - Current value of foreign equity: Unknown.

Ras Laffan Ethylene Cracker: Equity Share Capital: Unknown - Shareholders: Q-Chem II 53.31 percent, Qatofin 45.69 percent and QP 1 percent - Year Established: 2002 - End-users: Domestic - Commencement of commercial production: 2007 - Current value of foreign equity: Unknown.

The Qatar Industrial Manufacturing Company (QIMC), with a capital base of more than QR 360 million, has equity interests in industries such as chemicals, petrochemicals, construction, aluminum, paper and food processing. The subsidiaries of QIMC are Qatar Metal Coating Company, National Paper Industries Company, Qatar Sand Treatment Plant, Qatar Nitrogen Company, Qatar Paving Stones, National Food Company and Qatar Acids Company. Its business associates are Qatar Jet Fuel Company, Qatar Saudi Gypsum Industries Company, Qatar Clay Bricks Company, Qatar Plastic Production Company, Gulf Formaldehyde Company, Gasal, and Amiantit Qatar Pipes and Qatar Tunisian Food Company.

Qatar Petroleum (QP), via its subsidiary Qatar Intermediate Industries Company Ltd., (Alwaseeta) formerly known as (Qatar Holding, or QH) which was established in 2005 is expanding its production capability for petrochemicals with the construction of a new plant in Mesaieed Industrial City (MIC). The new Qatar Petrochemicals Complex (QPCC) will be a multi-billion-dollar (USD 2.6 billion) project developed in a 70:30 partnership between Qatar Holding and Honam Petrochemical Corporation of South Korea. The new petrochemicals complex was scheduled to come in stream in 2012-2013.

Qatar Petroleum (QP) and Qatar Petrochemical Company (QAPCO) have signed a Front-End Engineering and Design (FEED) contract with Tecnimont SpA for Al Sejeel Petrochemical Complex, which will be built in Ras Laffan Industrial City. This multi-billion dollar (USD 5.5 billion) project, scheduled for completion in 2018, is 80:20 owned by QP and QAPCO, respectively, and will feature one of the world’s largest mixed-feed steam crackers and is designed to produce 2.2m MTPA of polymers.

Liquefied Natural Gas Projects

Qatar Liquefied Gas Company (Qatargas I): Equity share capital: QR 500 million (USD 137 million). Shareholders: Upstream: Qatar Petroleum (QP) 65 percent, Total (France) 10 percent, Marubeni Corporation (Japan) and Mitsui and Company Ltd. (Japan) 7.5 percent each and ExxonMobil Oil (USA) 10 percent. Shareholders: Downstream: Qatar Petroleum 65.0 percent, Total 20.0 percent, ExxonMobil 10.0 percent, Mitsui 2.5 percent, Marubeni 2.5 percent. Year established: 1984. End-users of LNG: main Markets are Japan and Spain. Commencement of commercial production: December 1996. Current value of foreign equity: Unknown. The production capacity of Qatargas I was 6 Mta and increased to 10 million tons after the process of de-bottlenecking.

Qatar Liquefied Gas Company (Qatargas II): Equity share capital: Unknown. Shareholders: Train 4 (capacity of 7.8 mtpa): Qatar Petroleum 70 percent and ExxonMobil 30 percent. Train 5 (capacity of 7.8 mtpa): Qatar Petroleum 65 percent and ExxonMobil 18.3 percent and Total 16.7 percent. Year Established: 2002. End-users: United Kingdom's gas market Current value of foreign equity: Unknown.

Qatar Liquefied Gas Company (Qatargas III) - (Train 6 - capacity of 7.8 mtpa): Equity Share Capital: USD 5 billion; Shareholders: Qatar Petroleum (QP) 68.5 percent and ConocoPhillips 30 percent (ConocoPhillips' upstream collaboration (with Qatar) has been since 2003 through the development of Qatargas 3, a large- scale LNG project at Ras Laffan with a capacity of 7.8 million tons per year (tpy) and Mitsui & Co. Ltd 1.5 percent. Year Established: 2003. End-users: Europe, Asia and the United States. Current value of foreign equity: Unknown.

Qatar Liquefied Gas Company (Qatargas IV) - (Train 7 - capacity of 7.8 mtpa) is the last of the 7.8 million tpy mega trains constructed by Qatargas in Ras Laffan. Shareholders: Qatar Petroleum 70 percent and Royal Dutch Shell plc 30 percent. Qatargas 3 and Qatargas 4 supply LNG to Europe, Asia and the United States. Established: 2005

Ras Laffan Liquefied Natural Gas Co. (RasGas I) – owns Trains 1 and 2: Equity share capital: QR 7.28 billion (USD 2 billion). Shareholders: Qatar Petroleum (QP) 63 percent, Mobil QM Gas Inc. 25 percent, Itochu Corporation 4 percent, Nissho Iwai Corporation 3 percent and KOGAS 5 percent. Year established: 1993. End-users of LNG: South Korea Gas Corporation (KOGAS 91 percent, Spain 6 percent and the U.S. 3 percent. Commencement of commercial production: 1999. Current value of foreign equity: Unknown.

Ras Laffan Liquefied Natural Gas Co. (RasGas II) - owns Trains 3, 4 and 5: Equity Share Capital: USD 550 million. Shareholders: QP 70 percent and ExxonMobil 30 percent. Year Established: 2001. End-users: India, Edison Gas of Italy, Distrigas of Belgium and Endesa of Spain. Current value of foreign equity: Unknown.

Ras Laffan Liquefied Natural Gas Co. (RasGas III - owns Trains 6 and 7): The investment in Ras Laffan Industrial City, the hub of Qatar's upstream industry, reached USD 70.0 billion in 2009. Equity Share: Unknown. Capital: USD 12-14 million. Shareholders: QP 70 percent stake and ExxonMobil 30 percent. Year Established: 2005. End-users: United States and Asian market. Current value of foreign equity: Unknown

Laffan Refinery (LR), Qatar's first condensate refinery, started production in September 2009 with a processing capacity of 146,000 barrels per stream day (BPSD). According to Qatar Gas, it currently utilizes the field condensate produced from the Qatargas and RasGas facilities. The Laffan Refinery has a production capacity of 61,000 barrels per stream day (BPSD) of naphtha, 52,000 BPSD of kerojet, 24,000 BPSD of gasoil and 9,000 BPSD of LPG. Laffan Refinery Venture activities continue with plans to expand condensate refining capacity, supplying more products from a second refinery expected in 2016, this is known as Laffan Refinery 2 (LR-2). Shareholders include Qatar Petroleum at 51 percent, ExxonMobil at 10 percent, Total at 10 percent, Idemitsu at 10 percent, Cosmo at 10 percent, Mitsui at 4.5 percent and Marubeni at 4.5 percent.

Laffan Refinery 2 (LR-2) - is expected to be fully operational by early 2016. This facility will be able to process an additional 146,000 barrels per stream day (BPSD); the total processing capacity that will be available to Laffan Refinery will be 292,000 bbl/d. Shareholders include Qatar Petroleum at 51 percent, ExxonMobil at 10 percent, Total at 10 percent, Idemitsu at 10 percent, Cosmo at 10 percent, Mitsui at 4.5 percent and Marubeni at 4.5 percent.

Gas-to-Liquids Projects

Oryx GTL Project: Equity Share Capital: Unknown. Shareholders: Qatar Petroleum 51 percent and Sasol 49 percent. Year Established: 2003. End-users: Singapore, Japan and Europe. Commencement of commercial production: 2007. Current value of foreign equity: Unknown.

Pearl GTL Project: Equity Share Capital: Unknown. Shareholders: Qatar Petroleum 51 percent and Royal Dutch Shell Group 49 percent. Year Established: 2004. Commencement of commercial production: 2011. Current value of foreign equity: Unknown.

Other Gas Projects

Dolphin Gas Project: Equity Share Capital: Unknown. Shareholders: Mubadala Development Company (Abu Dhabi) 51 percent, Occidental Petroleum of the U.S. 24.5 percent, Total of France 24.5 percent, End-users: UAE and Oman. Commencement of commercial production: 2007. Current value of foreign equity: Unknown.

Al-Khaleej Gas Project: Equity Share Capital: Unknown. Shareholders: Qatar Petroleum, ExxonMobil. Year Established: 2000. End-users: Qatar, Kuwait, Bahrain. Commencement of commercial production: Unknown. Current value of foreign equity: Unknown.

Barzan Gas Project: Qatar Petroleum (QP) completed a USD 10.4 billion financing of its Barzan Gas Project mid December 2011. The Barzan Gas Project will be completed in two phases. Train 1 is expected to be operational in 2014 and Train 2 in 2015. Together they will supply around 2 billion standard cubic feet per day of sales gas. RasGas will develop and operate the project on behalf of its Qatar Petroleum and ExxonMobil, which have a 93 percent and 7 percent stake in the project respectively. The project aims to satisfy local demand for natural gas. The project will supply natural gas to power generation and water desalination plants as well as small- and medium-sized industries in Qatar.

Other Oil and Gas-Based Industries

Gulf International Drilling: Equity Share Capital: USD 258 million. Shareholders: Qatar Petroleum 60 percent and JDC 40 percent. Year Established: 2004. End-users: TBD. Commencement of commercial operations: 2004. Current value of foreign equity: Unknown.

Power and Utilities

Ras Laffan Independent Water and Power Project: Equity Share Capital: USD572 million. Shareholders: AES Corporation 55 percent, Qatar Electricity and Water Company 25 percent, Qatar Petroleum 10 percent and Gulf Investment Corporation 10 percent. Year Established: 2001. End-users: Local. Commencement of commercial production: 2004. Current value of foreign equity: Unknown.

Q Power Company: Equity Share Capital: Unknown. Shareholders: Qatar Electricity and Water Co. - 55 percent, International Power Plc (UK) - 40 percent Chubu Electric Power Company (Japan) 5 percent.

Nebras Power: Shareholders: Qatar Electricity and Water Co. - 60 percent, while Qatar Holding LLC and Qatar Petroleum International, the foreign investment arm of Qatar Petroleum each control 20 percent stakes. It is likely to begin commercial activities during the first half of 2014.

19. Contact Point at Post for Public Inquiries

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[1] Zakat is an obligation in Islam for Muslim individuals and corporations to donate a certain portion of their wealth to charitable causes.