“Doing Business in Qatar”

This presentation is prepared and made for all intents and purposes as reference and orientation for prospective investors and potential entrepeneur who wish to invest and experience economic growth and prosperity in Qatar.

For further and detailed information on how to do business in Qatar, kindly address all query and clarification to ECOVIS QATAR (ahmed.elbanna@ecovis.com).

THE MANAGEMENT

DOING BUSINESS IN QATAR

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I. GENERAL INFORMATION

Qatar, officially State of Qatar, independent emirate (1995 est. pop. 534,000), 4,400m^2 (11,400km^2), on a largely barren peninsula in the Persian Gulf, bordering Saudi Arabia and the United Arab Emirates. The capital is Doha. The economy of Qatar is dominated by oil and natural gas, which accounts for 70% of export income. Oil and gas revenues have been used to diversify the economy, including the development of chemicals, steel, cement, and fertilizer industries and banking. A minority (20%) of the population is Qataris (Arabs of the Wahabi sect of Islam); the rest are largely other Arabs, Pakistanis, Indians, and Iranians. Arabic is the official language, but English is also widely spoken. The country is a monarchy.

Geography

Qatar is one of the smaller Arab Gulf states in terms of population and geographical area. It is situated midway along the western coast of the Arabian Gulf. The country is approximately 11,437km^2. The coastline is 550 kilometers long and bounds the country to the west north and east. Several islands are included with the territory of the State of Qatar. The most important of which are Halul.

The landscape of Qatar is generally flat arid desert terrain. The desert areas are predominantly low lying with the exception of scattered hill formations in the northwest and rolling sand dunes in the southeast areas.

Climate

The climate is characterized by a mild winter and a hot summer. Rainfall in the winter is slight. Temperatures in summer can be extreme. The weather is generally pleasant during the period from October until April.

Population

The population of Qatar is estimated at 650,000, most of who (about 90%) reside in Doha, the capital city. The rest of the population lives in a number of towns and villages, including Dukhan, Mesaieed, Al Wakra and Al Khor.

Language

Arabic is the official language, although English is widely spoken. Correspondence with government organizations is normally in Arabic.

Religion

Islam is the official religion and the Islamic Sharia is the principal source of legislation in the country.

Major Cities

- **Doha** is the capital city and seat of Government. It includes the country's main sea port and international airport. It has an advanced road system linking it with the international road network and it is Qatar's cultural, commercial and financial centre.
- **Al Rayyan** is located 10 kilometers north of Doha. It is the largest residential area outside of Doha.
- **Al Khor** is a coastal city 57 kilometers north of Doha with a port for Municipality includes the emergent Industrial City of Ras Laffan.
- **Ras Laffan Industrial City**: Strategically located on the north shore of the Qatari Peninsula and at the centre of the Arabian Gulf, and because of its proximity to the

North Field (the largest natural gas field in the world), Ras Laffan Industrial City is the host of many hydrocarbon based industries including Qatargas and Rasgas.

- **Mesaieed** is the major industrial city in Qatar. It has a large seaport as well as the principal terminal for the export of oil and other hydrocarbon products. The beaches at Mesaieed with their fine sand are considered to be among the most important tourist areas in Qatar.
- **Al Wakra** is situated between Doha and Mesaieed, 15 kilometers from Doha, and has a small harbor for fishing boats.
- **Dukhan** is the onshore oil production centre and is situated halfway along the western coastline of the Qatari Peninsula. It has developed since the exploitation of the country's oil reserves commenced in 1949.

Shopping

Many aspects of the inhabitants' needs in Qatar are heavily subsidized: water, electricity and petrol are generally inexpensive; some basic foods are subsidized; local telephone calls are free; there is no income tax payable on wages, and there are no property or municipal taxes; government housing is available in certain cases to Qataris at nominal rent.

Most foods and goods are imported into Qatar. The country is, however, self-sufficient in fish, and it also produces some of its own vegetables. There are also successful local dairy and poultry farms.

There are many modern shopping centers with a wide range of consumer and luxury goods featuring world-class brands. There are also many excellent supermarkets.

Media

Qatar has five daily newspapers - three in Arabic and two in English. Many international newspapers are available one or two days after publication. Local Arabic and English radio and TV channels exist. Cable TV is also available, and offers many international channels such as: BBC, CNN, ESPN, Star Movies etc. Satellite TV is also available. In addition, there are several modern movie theatres showing new releases. Cable TV and movies are censored.

Time

Qatar local time is GMT + 3 hours.

Business Hours

Government offices are open from 7.00 to 14.00 hours daily from Sunday to Thursday. Banks are open from 7.30 to 12.00 noon Sunday to Thursday. Commercial offices working hours vary considerably, but are normally open from 8.00 to 13.00 hours and from 15.30 to 18.30 hours. During Ramadan, the month of fasting, restricted business hours are observed.

Public Holidays

Friday is the Muslim day of rest and all offices and most large shops are closed. The major holidays observed in Qatar are as follows:
Eid Al Fitr - 4 days holiday
Eid Al Adha - 5 days holiday
Independence Day - 18 December

Transportation and Communication

Doha Port is the main seaport for Qatar. Doha Port handles general imports particularly consumer goods and container cargo. There are dedicated seaports at Mesaieed and Ras Laffan which are mostly used for hydrocarbon exports and major industrial imports.

Qatar is readily accessible by air through Doha International Airport. The airport is very close to the city centre and taxi fares are rather inexpensive. It is rather easy to get in and about in Qatar.

Qatar has a good telecommunication system, which gives immediate telephone, telex, facsimile and Internet access to the world.

Education

Education to Qatari nationals is free up to and including graduate and post-graduate levels. Qatar has a well-educated population, mostly in the west. The Ministry of Education operates the public schools, but there are many foreign language schools, including some foreign community schools, including American, French, Indian, Japanese, Norwegian and Pakistani.

Medical Services

In order to receive medical treatment from polyclinics and hospitals, it is necessary for foreign residents to obtain health cards issued by the Ministry of health for a nominal fee. There are many public health centers throughout Qatar. They provide medical and dental treatment to nationals for free, but charge a nominal fee to non-nationals. There are many doctors and dentists in private practice.

Housing

The Government runs a major housing program for nationals. Foreign nationals may not buy real estate in Qatar, but good quality housing is available for rent.

Electricity

Electric power is 240/220 volts, 50 cycles A/C.

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II. THE ECONOMY

Industry

The government considers industry to be an integral part of its plan to diversify the economy and maximize its huge natural gas reserves, which serve as the primary feedstock for the sector.

Accordingly, careful planning has gone into industrial development. With an eye towards exports, development has been clustered around the ports of Ras Laffan and Mesaieed, which are also key centers of energy. The result has seen considerable growth over the years.

Industries Qatar (IQ), a producer of petrochemicals, fertilizers and steel, is a regional powerhouse, surpassed only in size by Saudi Basic Industries Corporation (SABIC), the Middle East's largest chemical producer.

In 2007 the manufacturing sector made the third-largest contribution to GDP among non-oil and gas sectors, equivalent to about 7.5% of GDP. Petrochemicals and fertilizers supply make up a large portion of the industrial base, along with steel and other construction materials, through Qatar Steel and Qatar Primary Material Company (QPMC).

Indeed over the past few years, demand for construction materials experienced a major surge as the development boom swept the Gulf. But the global financial crisis has put a significant dent in demand in the region, as project credit lines dry up and investor sentiment remains cautious. The crisis has in fact impacted the whole of the industrial sector – IQ saw its net profit drop in the fourth quarter of 2008 more than 90% over the same period the previous year. But in relative terms, the sector has fared better than most and IQ still managed to post an annual profit of $2bn.

Large profit chunks from years past have been channeled into capital investments, which should help the sector ride out the storm. IQ, for example, is pushing several major expansion projects, worth almost $6bn, ahead. Qatar is expected to be one of the fastest growing economies in 2009 – the hope is it will be enough to keep the industrial sector on an upward trajectory.

Financial Sector

The Qatari banking sector managed to escape the direct impact of the global subprime fallout, but was not altogether unscathed by its aftershocks.

Overall, it was the best performing of the Gulf Cooperation Council markets in the last quarter of 2008 and most banks posted substantial profits for 2008. But the sector is also facing issues of liquidity, declining customer confidence and a forced reluctance to lend.

In a bid to strengthen the banks' positions, the Qatar Investment Authority (QIA) announced in early 2009 that it was willing to take a 10-20% stake in any interested local listed banks by way of a capital injection, although this was later reduced to 5% stakes and an additional 5% at the end of 2009.

The Qatari government also announced in March 2009 that it was planning to buy the investment portfolio of the banks in the hope this would encourage them to continue lending. Cautious sector sentiment has also been compounded by the Qatar Central Bank's (QCB's) lending restrictions, which demand a loan-to-deposit ratio of 90%. Given the high level of integration between Qatar's economy and the Gulf region, as well as the wider world, a slowdown in business and banking activity seemed inevitable.

Nevertheless, Qatar's banking sector has been faring relatively well, considering the strife experienced in other countries, and insiders are confident that activity will return to its previous brisk pace in the second half of 2009 as confidence slowly rebuilds around the globe.

Islamic Finance

The Islamic finance sector enjoyed increased activity in 2008 and is expected to continue to grow into 2009 as more sophisticated financial instruments spark the interest of investors. In addition to Islamic banks, such as Qatar Islamic Bank (QIB), Qatar International Islamic Bank (QIIB) and newcomer Al Masraf Al Rayyan, conventional banks have also been entering the sharia-compliant sector and are coming to view an Islamic subsidiary as a virtual necessity in order to maintain market standing. Islamic banks currently take the lion's share of sharia-compliant business, though the conventional banks are working hard to take a greater share of market activity.

Both Islamic banks and Islamic subsidiaries did remarkably well in the first three quarters of 2008, during which overall financing activity increased by 70.6% compared to the same period in the previous year. The global financial crisis has certainly thrown a dampener on this growth, though.

Poor market conditions have contributed to a marked slowdown of Islamic bond, or sukuk, activity in 2008 throughout the Gulf. But other segments, such as Islamic insurance, or takaful, have not seen a similar downturn. In fact, takaful still shows significant room for expansion as it currently makes up less than 20% of the total insurance market.

Overall, challenges to further growth remain, including a lack of qualified staff to meet the growing demand for sharia-compliant banking services. In order to compete with the conventional banking sector and expand its customer base, Islamic banks need to invest in suitable human resources.

Capital Market

The stock market capitalization of listed companies in Qatar was valued at $95,487 million in 2007 by the World Bank. As 2008 drew to a close no capital markets around the globe, including Qatar's, were immune to the effects of the sub-prime fallout.

That said there is considerable optimism that Qatar's bourse, the Doha Securities Market (DSM), will remain relatively

resilient to the ongoing international turbulence. It has followed the same peak-trough trajectory as many others around the globe, hitting record highs in mid-2008, before diving in late 2008 and early 2009.

Between December 2006 and July 2008 the DSM Index rose about 117% before the global financial crisis wiped out most of these gains. In the first few months of 2009, the DSM lost about 40% of its value. In an effort to stave off further losses, the government announced in February 2009 that it would step in to buy up shares of troubled banks amounting to about 10% of the market's capitalization.

The move dramatically improved investor optimism and is hoped to prevent the market from falling further. The proposal to create a single unified regulator as early as 2010 to oversee all banking and financial services is viewed as another promising development that will dramatically transform the financial sector for the better. Underlining these developments is strong optimism that the solid base of Qatar's economy, which has maintained a favorable outlook, will be enough to buoy capital markets and lure shaken-up investors back to the trading floor.

Tourism

Qatar is focusing on niche tourism, especially the business segment, as a means of growth for the sector. Under the ambitious five-year development plan of the Qatar Tourism and Exhibitions Authority (QTEA), the government aims to boost the number of visitors from 964,000 as of 2007 to 1.5m by 2010. The funding needed to meet this goal is certainly there – in 2008 the state allocated some $17bn for tourism development through 2014, most of which is going towards hotels, exhibition space and infrastructure.

In order to keep up with a rising number of visitors, the government hopes to increase hotel capacity by 400% by 2012. In addition to financial support, the government has also worked to ease business regulations in a bid to increase private sector activity.

A major aspect of expansion plans is the New Doha International Airport (NDIA), which will have the capacity to handle up to 24m passengers upon the completion of the first phase in 2012.

Considering the vast majority of these visitors are members of the business community, the government has naturally targeted the meetings, incentives, conferences and exhibitions segment as a viable source of development, with two new convention centers slated to open in 2011.

Other niche tourism segments receiving special focus include cultural tourism on the back of the recent headline-grabbing opening of Doha's Museum of Islamic Art, and sports tourism, initially spurred by the Asian Games, to which Qatar played host in 2006.

The government appears to be committed to long-term expansion plans, but challenges nevertheless remain, including effective marketing to the international community as well as the effect of the financial crisis on global tourism appetite.

Transport

With a fast-expanding population and substantial economic growth over the past decade, a reliable and extensive transportation network is becoming increasingly necessary within Qatar. So far the government, the primary transport developer, has done well in terms of keeping up with demand for new transportation options.

In 2008 the Public Works Authority (Ashghal), one of the bodies that oversee infrastructure development, underwent a major reorganization in order to streamline and modernize the authority in preparation for major project expansions across all segments in the near future. Ashghal works in tandem with the Urban Planning and Development Authority (UPDA), the body that designed the transportation master plan, instituted in March 2006 and running to 2025.

As driving is the primary mode of transport in Qatar, the road network is a major focus of the plan. Project highlights in this segment include the multibillion-dollar Doha Expressway and the Qatar-Bahrain Causeway, which will connect Qatar to Bahrain and Saudi Arabia and is considered a milestone in regional interconnectivity. Mass-transit options, such as a Doha metro, light-rail system and more extensive bus networks, are also under development to ease road congestion. In addition, the railway system is being significantly expanded and could eventually form an integral part of a GCC wide network linking all the Gulf States.

The airport, too, is expanding capacity to keep up with rising visitor numbers. The New Doha International Airport is one of the largest projects in Qatar today and will boast a capacity of 50m passengers upon completion in 2015.

Finally, port infrastructure is seen as an integral part of Qatar's economic development as it focuses on LNG and industrial exports. The port at Mesaieed is undergoing expansion and will be able to handle around 1m twenty-foot-equivalent units by 2020.

While the financial crisis may present challenges to infrastructure development later in 2009, once all projects are up and running Qatar will have one of the most advanced and modern transport infrastructures in the region.

IIA. World Bank Rankings for Ease of Doing Business in Qatar

Qatar is ranked 37 out of 181 economies in the World Bank rankings for Ease of Doing Business.
Singapore is the top ranked economy in the Ease of Doing Business
Qatar – compared to global good practice economy as well as GCC economies:

Qatar's Ranking in Doing Business 2009	Rank
Ease of Doing Business	37
Starting a Business	57
Dealing with Construction Permits	27
Employing Workers	88
Registering Property	54
Getting Credit	131
Protecting Investors	88
Paying Taxes	2
Trading Across Borders	36
Enforcing Contracts	98
Closing a Business	31

Source: World Bank.

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III. Structure and Governance of Companies

Types of Companies

The regulations relating to the structure and governance of companies are governed by the Commercial Companies Law, Law No. (5) Of 2002, replacing Law No. (9) Of 1998. Certain provisions of the Commercial Companies Law were changed as per Law No. (16) Of 2006. One of the main changes of the new law is the removal of the provision where only nationals of the State were allowed to form certain types of partnership companies. Another significant change is the addition of two new types of companies. The New Commercial Companies Law provides for the incorporation of eight different kinds of companies in Qatar:

1. Simple Partnership Company

- It is formed by two or more natural persons who are personally and jointly responsible for the liabilities of the company
- The name of the company shall be formed by reference to the name of all the partners, or the name of one partner followed by the words "and Partners"
- A company may have a special commercial name, provided it is connected with the fact that it is a simple partnership company
- All the partners in this kind of company shall be natural persons
- It should also have a Memorandum of Association.

2. Joint Partnership Company

A Joint Partnership Company is a company consisting of two types of partners:

- **Joint Partners** – they are empowered to administer the affairs of the company, and are jointly and personally responsible for the company's liabilities
- **Trustee Partners** – they merely contribute to the company's capital without being responsible for its liabilities except to the value of their shares in the capital
- All Joint Partners in a joint partnership company shall be natural persons
- A Trustee Partner shall not interfere in the management of the company

3. Joint Venture Company

- A company formed by two or more persons
- It is an un-incorporated entity, without validity against third parties and has no legal personality and is not subject to any registration procedures in the commercial register
- A Memorandum of a Joint Venture may be proven by all evidential means including substantive and circumstantial evidence
- The resolutions of a Joint Venture Company are decided by the unanimous vote of all the partners, unless stated otherwise by the Memorandum
- If partners of a Joint Venture Company are non-Qataris, then the company is allowed to carry out only those business activities stipulated by law for non-Qataris

4. Public Shareholding Company

- A company whose capital is divided into shares of equal value which are transferable
- Shareholders are not liable for the company's obligations except for the amount of the nominal value of the shares for which they subscribe
- It should have a minimum of five shareholders and in all cases the name of the company should be followed by the words "Qatari Public Shareholding Company"
- Subscription to the shares of the company shall remain open for not lesser than two weeks and not more than four weeks
- Founders may extend the subscription period by another two weeks if shares are not fully subscribed, after obtaining the consent of the Ministry
- It shall have a definite term, which should be indicated in the Memorandum of Association and in the Articles of Association, in accordance with a format issued by a Ministerial Decree

- The fixed term may be extended by an extra ordinary resolution of the General Assembly
- The capital should not be less than QR 10,000,000.00 (Ten Million Qatari Riyals)
- The nominal value of each share may be less than QR 10.00, subject to the Ministry's approval
- A company may purchase its shares for the purpose of selling them in accordance with the rules determined by the Qatar Financial Markets Authority

5. Limited Shares Partnership Company

A Limited Shares Partnership Company is a company formed by two groups, namely:

- **Joint Partners** comprising of one or more joint partners who are personally liable for the debts of the company.
- **Trustee Partners** comprising of no less than four shareholding partners whose liability is limited to the value of shares held in the capital.
- The company should have a Memorandum and Articles of Association signed by all founding partners. In all cases the words "Limited Shares Partnership Company" should be added to the name of the company
- For the joint partners, the company shall be governed in the same manner as a Simple Partnership Company and all the joint partners shall be natural persons
- The company should have a minimum capital of QR 1,000,000.00 (One Million Qatari Riyals), divided into shares of equal value that are transferable and indivisible and should be fully paid on incorporation
- The company must have a General Assembly composed of all joint and trustee shareholding partners
- This is managed by one or more joint partners.

6. Limited Liability Company

- This company is formed with at least two partners and not more than fifty partners, whose liabilities are limited to the value of shares held in the company
- The shares of a company of its kind are not freely transferable
- The company should have a Memorandum and Articles of Association signed by all the partners. In all cases the words "Limited Liability Company" should be added to the name of the company.
- The company must have a minimum capital of QR 200,000.00 (Two Hundred Thousand Qatari Riyals), divided into shares of equal value not less than QR 10.00 (Ten Riyals) each.
- The management is conducted by one or more managers whether being partners in the company or not
- Such company may not engage in the business of insurance, banking, or in the investment of funds, whether as a principal or an agent

7. One Person Company

This refers to a company in which every economic activity and its full share capital is held by one natural or corporate person:

- The company should have an Article of Association stating its rules, data, and procedures of its entry and registration. Such a company shall not have a corporate personality before its registration. The name of the company shall be linked with the name of the holder of his share capital followed by the words "One Person Company (O.P.C)".
- The company must have a minimum capital of QR 200,000.00 (Two Hundred Thousand Qatari Riyals), paid in full. Such share capital may include shares in kind, whose value is estimated by professional experts.
- The company shall be managed by the holder of its share capital, who may appoint one or more managers to represent the company in its transactions

- The company's owner shall be responsible from his own assets for company obligations, unless he separates his personal interests from that of the company
- The company shall be dissolved upon the death of the holder of its share capital, unless the shares of the heirs is held by one person, or the heirs select to continue the company in another legal form.

8. Holding Company

- This is a joint stock, limited liability or one person company financially and administratively controlling one or more other companies by holding at least 51% of the shares of such company (ies) whether they are shareholding, limited liability or one person companies
- The capital of a Holding Company shall not be less than QR 10,000,000.00 (Ten Million Qatari Riyals)
- The words "Holding Company" should be added to the name of the company
- To the extent not contradicting to the provisions, holding companies shall be subject to the provisions hereof relating to shareholding, limited liability or one person companies, as the case may be

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IV. QATAR INCOME TAX LAW

On 17th November 2009 His Highness the Deputy of the Emir of Qatar issued Law No. (21) Of 2009 concerning the Tax Law to apply to income earned on or after 1st January 2010 (New Tax Law).

The New Tax law effectively repeals Law No. (11) Of 1993 (Old Tax Law)

There are a number of changes occasioned by the introduction of the New Tax Law and this article proposes to examine the same in some depth.

Income

Under the Old Tax law income was defined as including: (a) profits from contracts carried out in Qatar; (b) profits arising from the sale of an asset (c) commissions due to agencies; (d) fees for consultancy services and the like; (e) rent from real estate; (f) franchise and royalty fees; (g) recoupment of bad debts; (h) liquidation profits; and (i) bank interest and returns realized outside of Qatar.

The New Tax Law focuses less on profits and now sets out various definitions for types of income. Gross Income is defined as total income and profits from applicable sources. Net Income is defined as Gross Income less allowable deductions. Taxable Income is now Net Income less losses from previous years (up to a three year maximum carry over period).

The applicable sources for Gross Income include the Old Tax Law's income sources with reference to Gross Income rather than profits. However, the sources are also expanded to (a) Gross Income derived from the sale of shares in land rich companies; (b) Gross Income from shares held in Qatari companies; (c) interest on loans obtained in Qatar; (d) Gross Income from the exploration.

Exemptions

Whereas foreign workers will be pleased that the exemption from the provisions of the law for salary and wage earners as contained in Article (49) of the Old Tax Law is now is mirrored in Article (2) of the New Tax Law, the situation for Qataris and GCC nationals has been changed slightly with significant implications. The exemption that meant that citizens of Qatar were free from tax is subject to those persons being residents of Qatar as set out in Article (4) of the New Tax Law. In theory, a Qatari citizen who was no longer resident in Qatar may be required to pay tax on any Taxable Income derived in Qatar. Whilst the number of persons affected by this change will probably be very small, where it is significant is in its consequences for GCC Nationals.

Under Law No. 9 of 1989 regarding Equal Tax Treatment for Nationals and Companies of the Gulf Cooperation Council States, GCC citizens and companies wholly owned by GCC citizens are treated similarly to Qatari national and companies in relation to tax matters, thus the law allowed the GCC nationals and companies to enjoy the same exemption from tax as enjoyed by Qatari citizens and companies. If this exemption now only applies to GCC nationals who are resident in Qatar (as the Ministry of Economy and Finance now appear to interpret the situation) this will have significant consequences for GCC companies and nationals not resident in the state. For example a GCC company that is trading in Qatar but is not having a permanent establishment will now be subject to the new withholding tax (see below). How this sits with Qatar's treaty obligations within the GCC will be interesting to follow over the next few months as the Ministry of Economy and Finance come to grips with the New Tax Law in terms of procedures and implementation.

Tax Rates

For taxpayers in Qatar the most significant change imposed by the New Tax Law is in the rates of tax. Rather than a marginal system employing rates from between zero and 35% depending on the level of income, there is now a flat rate of 10% (Article 11). Most large enterprises will welcome what should in most cases work out to be a reduction of tax, but for smaller taxpayers the opposite effect may be the result. For example a taxpayer under the Old Tax Law that earned a taxable income of 450,000 QR would pay 10% on income between 100,000 and 450,000 QR i.e. 35,000 QR (the first 100,000 QR being tax free). Under the flat rate now imposed, the tax will now be 45,000 QR.

Withholding Tax

For foreign businesses the introduction of a clear and workable withholding tax is perhaps the most significant development of the New Tax Law.

Under the Old Tax Law foreign businesses earning income in Qatar but not having a permanent presence in Qatar were free from the imposition of tax. Now for businesses without a permanent establishment in Qatar, Article 11 of the New Tax Law imposes a withholding tax on 5% of the gross amount of royalties and technical fees or 7% of the gross amount of interest, commissions, brokerage fees, director's fees, attendance fees and any other payments for services carried out wholly or partly in the State. Unfortunately terms like technical fees and attendance fees are not defined in the legislation so this will leave questions open for some time.

Nevertheless the withholding tax procedure is quite clear. Basically any person who pays fees for services to an entity without a permanent presence in Qatar will be required to withhold the requisite amount of funds from the supplier. This will be administered through a tax card system that all taxpayers in Qatar will be required to obtain (Article 12). The thought process is that if services are supplied by a person not holding a tax card, then that person will not have a permanent establishment in Qatar and so funds should be withheld from that person.

The obligation for payment of the withholding tax is place not on the foreign supplier but on the person making payment to such supplier. Any natural or legal person is required to perform the withholding and remit the same to the Ministry by the 16th day of the calendar month following the date of making the withholding.

What these procedures mean is that persons who do not have a tax card will find that their customers are going to withhold the requisite 5% or 7% and remit the same to the Ministry in no more than 47 days. There is as yet no system set up for entities that enjoy an exemption under international tax treaties so it is envisaged that all of the same will need to apply for some form of exemption letter from the Ministry so that their customers have some grounds to justify not making the withholding, other than the tax card.

Whilst the introduction of a withholding tax only brings Qatar in line with tax regimes in most countries the devil is in the lack of detail.

Article 11 does make the withholding subject to the provisions of tax agreements and some agreements like the France-Qatar appear to make it clear that a foreign entity paying tax in its home jurisdiction on income earned in Qatar will be exempt from the withholding tax, for reasons discussed above this may not apply to GCC entities. As such, we could find the situation that a French company supplying services to Qatar remotely will not be required to pay any tax in Qatar, but a company in Bahrain providing the same services in Qatar will be required to pay the tax.

The lack of detail and clarity has already lead to an indefinite moratorium being placed on the 7% withholding imposed on interest. Banks in Qatar would clearly prefer the situation to remain as it was. Collecting withholding on payments of interest creates new and expensing collection operations, not to mention a lower and less attractive interest rate as a permanent result. The Ministry of Economy and Finance has yet to advise when the moratorium will be removed. Use of unfamiliar and undefined terms like attendance fees and technical fees will also only serve to create problems as well.

Appeals

Whilst the appeal system in the New Tax Law is not too dissimilar from the Old Tax Law and there is still a Tax Appeals Committee, there are some significant changes.

Under Article 26 of the Old Tax Law, the composition of the Committee was two representatives from the Ministry, and one each from the State Audit Bureau and the Qatar Chamber of Commerce and Industry, with the Chairman being a Judge of the Courts of Justice. Whilst the members are still nominated as above, there is an additional member from the Qatari Association of Chartered Accountants and the Chairman is now required to be a Judge from the Appeal Court (Article 30).

Whereas appeals from the Committee's decision were required under the Old Tax Law to be made to the Civil Major Court, under Article 35 appeals are now required to go to the Administrative Chamber of the Court of First Instance. This should have the benefit of developing judicial expertise in tax matters, a problem faced in many jurisdictions.

Other Features

Another feature of the New Tax Law is the establishment of a separate tax rate for taxpayers having agreements relating to oil operations as defined in Law no. 3 of 2007. In such cases the rate applicable is not less than 35%.

In cases where there is an agreement between a government body and a taxpayer (not related to natural resources) and such agreement does not specify a tax rate then the rate of 35% shall be applied.

Regulations

It is understood the Ministry will be releasing further regulations which hopefully can clarify some of the points above. With any new system that comes into play there will be teething problems and any judgment must be reserved until such time as these problems are sorted out, hopefully sooner than later.

Double Tax Treaties

Qatar has a network of tax treaties, including treaties with Algeria, Bangladesh, Belgium, Cyprus, France, India, Italy, Luxembourg, Macedonia, Malta, Morocco, Pakistan, Poland, Romania, Russia, Senegal, Sychelles, Singapore, South Korea, Sri Lanka, Tunisia Turkey and Venezuela.

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V. Qatar Financial Centre

The Qatar Financial Centre (QFC) was established in 2005. It aims to provide a financial and business centre in Doha to attract international financial services institutions and multi-national corporations wishing to participate in Qatar's rapidly growing economy as well as a platform to provide services elsewhere in the MENA region.

The QFC is currently a tax free zone. Any entity established in the QFC is free from any liability to tax for a period of three years commencing on the coming into force of the QFC Law No. 7 of 2005. This period ends in April 2008 and thereafter the Minister of Economy & Commerce will have the power to impose taxes or duties on QFC entities.

The QFC operates to international standards and provides a first class legal and business infrastructure for those doing business within the centre. The QFC's commercial and regulatory environment and systems conform to international best practices and are separate from and independent of the host Qatari systems. The standards required and the legal environment will be familiar to businesses currently operating in major financial centers around the world.

The Centre is led by a commercial authority and a regulator - the QFC Authority and the QFC Regulatory Authority respectively, which are independent of each other. The QFC Authority is responsible for commercial strategy and for developing relationships with the global financial community and other key institutions both within and outside Qatar. The Regulatory Authority has a broad range of powers to authorize, supervise and, where necessary, discipline regulated firms and individuals who operate in or from the QFC.

Both the QFC Authority and the Regulatory Authority have a function of recommending appropriate legislation to achieve their objectives, and have certain rule-making powers. The QFC provides mechanisms for resolving disputes between QFC firms and their counter-parties and for arbitration or the formal resolution of civil disputes before a Tribunal, in effect a commercial court, operating to high judicial standards. It has also created an Appeals Body to allow firms affected by particular decisions of the Regulatory Authority to have those decisions reviewed.

Qatar Financial Centre Regulatory Authority

The Qatar Financial Centre Authority is responsible for the commercial strategy and business development of the centre and provides its administrative functions. The QFC Authority is governed by a Board which is chaired by the Minister of Economy and Commerce. Shashank Srivastava is Acting CEO and Chief Strategic Development Officer of the QFC Authority.

The principal objectives of the QFC Authority are:

- To develop and promote the Qatar Financial Centre as a leading location for international finance and business;
- To promote and act in accordance with international best practice and eliminate bureaucracy to the maximum extent;
- To ensure the financial stability of the QFC;
- To participate in consultation with the QFC Regulatory Authority and the QFC Appeals Body in the establishment and maintenance of the QFC legal and regulatory environment;
- One of the QFC Authority's most important roles is to approve and issue licenses to individuals, businesses and other entities that wish to incorporate or establish in the Centre. Businesses wishing to undertake financial services will also require authorization from the QFC Regulatory Authority.

Doing Business with QFC

Activities which are permitted to be carried out in or from the QFC fall into two categories - 'regulated activities' (essentially financial services) and 'non-regulated' activities.

All firms wishing to conduct permitted activities need to apply to the QFCA for a license. Firms planning to conduct regulated activities also need to apply to the QFC Regulatory Authority for authorization. Firms wishing to conduct non-regulated activities will need to apply to the QFC Authority for a license through a simple process.

'Non-regulated' activities that may be considered for licensing include business activities of company headquarters, management offices, treasury operations, and company administration; investment grading and other grading services; and professional services including (but not limited to) audit, accounting, tax, consulting and legal services.

The Regulation of Businesses in QFC

- **Permitted Activities** - Under the Law, no entity may carry on an activity in or from the QFC unless the activity is a "permitted activity". Any entity seeking to do business in QFC will need to ensure that the business falls within the list of permitted activities and be licensed by the Authority. The list of permitted activities set out in the Law is broad and goes beyond the range of activities traditionally associated with financial services. These include company management and administration services, ship broking and management consultancy and legal services. However, under the Financial Services Regulations, certain permitted activities, more usually associated with financial services activities, are specified as "regulated activities".
- **Regulated Activities** – An entity seeking to carry on regulated activities by way of business in the QFC will need to become authorized by the Regulatory Authority in addition to being licensed by the Authority and, when authorized, will be subject to supervision by the Regulatory Authority.

  The regulated activities specified in the Financial Services Regulations fall within the following categories of permitted activity identified in the Law:
- **Financial Business**, banking business of whatever nature, and investment business, including (without limit) all business activities that are customarily provided by investment, corporate and wholesale financing banks, as well as Islamic and electronic banking business;
- **Insurance** and reinsurance business of all categories;

- **Money market**, stock exchange and commodity market business of all categories, including trading in and dealing in precious metals, stocks, bonds, securities, and other financial activities derived there from, or associated therewith;
- **Funds administration**, fund advisory and fiduciary business of all kinds;
- **Pension fund** business and the business of credit companies;
- **The business** of insurance broking, stock broking, and all other financial brokerage business;
- **Financial agency** business and the business of provision of corporate finance and other financial advice, investment advice and investment services of all kinds; and
- **The provision** of financial custodian services and the business of acting as legal trustees.
- **The specific regulated activities include:**
    - Deposit taking;
    - Providing and arranging credit facilities;
    - Dealing in, arranging deals in, managing and advising on investments;
    - Providing and arranging custody services;
    - Operating a collective investment scheme; and,
    - Effecting and carrying out contracts of insurance.

The Financial Services Regulations

Set out certain activities which are excluded from these regulated activities. For example, the issue by a body corporate of its own shares, debentures or warrants is excluded from the regulated activity of dealing in investments as principal or agent.

The Financial Services Regulations also specify the products which it governs. These include:

- Shares;
- Debt instruments;
- Credit facilities;
- Warrants;
- Securities receipts;
- Units in a collective investment fund;
- Options;
- Futures;
- Contracts for differences;
- Contracts of insurance;
- Deposits; and,
- "Rights in investments"

Non-Regulated Activities

Although free from the purview of the Regulatory Authority, those entities seeking to carry on permitted activities which are not specified as regulated activities are still subject to regulation by the Authority. These entities would need to become licensed by the Authority. The permitted activities relevant to these entities include the businesses of:

- Ship broking and shipping agents;
- Classification services, investment grading and other grading services;
- Company headquarters, management offices and treasury operations;
- Professional services, including but not limited to audit, accounting, tax, consulting and legal services;
- Holding companies and the provision, formation, operation and administration of trusts and similar services; and,
- The provision, formation, operation and administration of companies.

The QFC Authority Regulations provide guidance as to the licensing regime for entities seeking to become licensed to carry on permitted activities which are not regulated activities.

Setting up a Financial Services Business in QFC

The Application to the Regulatory Authority - Firms applying for a license to carry regulated activities must provide the necessary information to enable the Regulatory Authority to assess the suitability of the firm to be granted authorization. If the applicant firm has applied for a license to an overseas regulator recognized by the Regulatory Authority within the previous twelve months, it may be possible to use information already prepared in assessing the application for authorization in the QFC.

The applicant firm will need to satisfy the Regulatory Authority that it has sufficient financial resources, adequate systems, suitable compliance arrangements and effective internal controls around the regulated activities that it wishes to carry on. A single application can be made for both authorizations by the Regulatory Authority and a license from the Authority.

- **Approved Persons** - The Regulatory Authority requires applicant firms to appoint individuals to perform specified "controlled functions" who must be approved by the Regulatory Authority. As a minimum, the firm must appoint individuals to perform the following: a senior executive function; a compliance oversight function; a finance function; and money laundering reporting function.

  Although an individual may perform more than one function, the Regulatory Authority normally requires that a minimum of two individuals be involved. Moreover, a firm is required to ensure that the person carrying on the senior executive function spends "an appropriate proportion of his time in the State of Qatar having regard to responsibilities that the function entails".

  The Regulatory Authority has yet to clarify what minimum time is deemed to be an "appropriate proportion".

- **The Application Process -** Applicant firms should receive acknowledgement of their completed applications within 5-working days of receipt of the completed forms by the Regulatory Authority.

  The Regulatory Authority aims to process all applications for both licensed and authorized firms within 3-months of receipt, provided the application received is complete although this does depend on the adequacy of the information supplied to Regulatory Authority and the complexity of the business for which the application is sought.

Carrying on Financial Services Activities in the QFC

The Rulebooks - The Regulatory Authority has made rules governing the carrying on of financial services activities in the QFC. These are contained in various rulebooks covering the following. In addition to the various regulations, an authorized firm is subject to the:

General Rulebook: this includes requirements in relation to:

- the firm's disclosure of its regulatory status;
- communications with the Regulatory Authority;
- requirements governing notices to the Regulatory Authority;
- reports to the Regulatory Authority;
- record keeping; controllers of the authorized firm;
- accounting and auditing; fees; and,
- to the extent relevant, restrictions on futures and options.

Regulatory Authority's Principles: these are general statements of the standards expected of authorized firms which apply directly to the conduct of business and operation and financial standing of authorized firms. The Principles deal with issues such as integrity, skill and diligence, management systems and controls, financial prudence, market conduct, customer's interests, communications with clients, conflicts of interest, relationships of trust, client assets, confidentiality and relations with regulators.

- **Rules Governing Controls**: includes requirements for management oversight, allocation of responsibilities for all aspects of an authorized firm's business amongst its senior management, systems, resources, procedures and controls and outsourcing.
- **Rules Governing Individuals**: includes requirements as to competence, training and supervision and compliance by the relevant individuals with principles of conduct.
- **Rules on Anti-Money Laundering**: This set out the basic principles and objectives of money laundering prevention, of compliance, and also set out various customer identification requirements.
- **Rules on Conduct of Business**: includes provisions governing financial communications, conflicts and material interests and complaints handling. In addition, firms undertaking investment business are required to comply with client classification requirements, requirements governing investment research, inducements and soft dollar investments, personal account transactions, advising and selling, dealing and managing, terms of business, and reporting to customers.

Assets Rules: includes provisions governing client money and the distribution of client money, custody services, collateral, and mandates over client accounts and insurance money.

Rules Governing Islamic Finance: includes special provisions governing the licensing of Islamic financial institutions, a firm's disclosure requirements, constitutional documents, systems and controls, Shari'a supervision boards and conduct of business standards.

Interim Prudential Investment Rules: this will become final in accordance with financial developments such as Basel II:

- the rules govern the levels of capital which an authorized firm must maintain, which is determined according to its prudential category, and include special provisions for firms undertaking Islamic financial business;
- the rules also govern the control of credit risk, market risk, liquidity risk, group risk and operational risk.

Doing Business with Retail Customers - The Regulatory Authority may authorize firms to carry on regulated activities with or for retail customers within the State of Qatar after it has put in place measures to ensure appropriate customer protections. The Regulatory Authority has not yet defined the characteristics of a "retail customer".

Carrying on Activities in Qatar outside the QFC

- **A Separate Jurisdiction** - The QFC is separate from the State of Qatar, it is not situated in or limited to a specific territory or geographical location. Nevertheless, a QFC entity must conduct business from a place approved by a decision of the Council of Ministers. However, the Minister of Economy and Commerce does have the power to designate temporary locations anywhere within the State of Qatar as falling within the QFC.
- **A Separate Licensing Regime** - The Law provides that a QFC licensed entity requires no further license or permit to carry out its business in or from the QFC. However, the Law provides that a QFC entity conducting activities in Qatar outside the QFC or with an individual or entity that is resident in Qatar would be considered for the purposes of Qatar domestic legislation as being outside the State of Qatar. This raises questions as to whether a QFC entity could, in fact, conduct business with Qatari domestic entities without falling foul of those Qatari domestic regulations restricting the activities of offshore entities.

The Application Process

The QFC operates a streamlined application process for those seeking to establish in the QFC and who therefore need to register with the QFC Companies Registration Office (CRO), obtain a license from the QFC Authority and (in the case of financial services businesses) authorization from the QFC Regulatory Authority. The process has been designed to allow the applicant firm to make a single application to the QFC Regulatory Authority which will initiate the process for the CRO, QFC Authority and, if applicable, the QFC Regulatory Authority.

Firms will need to complete form Q02 (available on the QFC Regulatory Authority website at www. qfcra.com), which asks for detailed corporate information as well as information relevant to the business that the firm wants to do. Upon receipt of an application form and application fee the QFC Regulatory Authority will start the assessment process. The actual time it takes to process an application will depend on the nature, scale and complexity of the firm's proposed activities and the completeness of the information in the application form. The QFC Regulatory Authority has a target processing time of 90 days for applications.

An up-to-date list of firms licensed to operate from the Qatar Financial Centre is available in the Public Register which can be found via the homepage of the QFC Authority website. Further details of the application process and authorization process can be obtained from the website of the QFC Regulatory Authority.

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VI. Qatar Science and Technology Park

Qatar's new Science and Technology Park (QSTP) is a key initiative of the Qatar Foundation in its drive to diversify the economy, create highly skilled jobs and to establish Qatar as a knowledge economy in the Middle East. In the QSTP, Qatar is building a world-class environment for companies to develop their technology, including a business incubator to help technology start-ups.

The master plan for the QSTP encompasses 123-hectares of land which is integrated with the facilities of the Qatar Foundation, its new teaching hospital and its new convention centre. Phase One construction of the QSTP comprises 115,000m^2 of development. At its heart is the 12,000m^2 Incubator Centre, incorporating the administrative hub and Business Centre. This building is flanked by the first two Tenant Buildings, each 20,000m^2.

The architectural aesthetic is striking and contemporary, whilst respectful of the Qatari culture and designed for the desert climate. The design features the separation of motor vehicles from pedestrians. The podium provides a pedestrian-only landscaped environment, under the 'veil' shade structure that links the buildings. People are encouraged to move freely between the activities hubs in the tenant building atrium spaces and the Incubator Centre's retail outlets and service facilities. It is truly a place for people; a green respite with the sound of moving water.

Premises

Investing $600 million in its first phase of buildings, QSTP provides offices and laboratories designed for technology-based companies. Companies can lease premises in multi-user buildings, or commission buildings for design and build by QSTP. Companies cannot buy land or buildings at QSTP. Leases of up to 15 years are available for premises in multi-user buildings, and for single-user buildings construction and lease-backs are an option.

- **Innovation Centre** - This business incubator helps small companies start and grow. It provides fully-furnished offices from 45m^2 with meeting rooms, business services and expert advice on tap. It is also the science park's communal hub, featuring cafes and open public spaces.

- **Tech Centers** - A pair of two-storey buildings suited for medium and large companies. They are able to accommodate both heavily equipped laboratories and modern offices. Spaces are available in increments of 500m^2, and each tenant fits out its space to its own unique needs.

Facilities and Services

QSTP provides infrastructure and services designed to support day-to-day business needs:

- Advanced voice and data infrastructure
- Meeting rooms with advanced audio-visual systems, plus areas for exhibitions
- "Hot" offices rentable for short periods
- Helpdesk and visitor reception
- Secretarial and document production services
- Full facilities management, security and access control

Free Zone - QSTP is a free-trade zone, making it attractive for technology-based companies.

Benefits include:

- Incorporate a local company, or operate as a branch of a foreign company
- 100 percent foreign ownership
- Trade without local agent or sponsor
- Hire expatriate employees
- No taxes
- Duty-free import of goods and services
- Unrestricted repatriation of capital and profits

Access to Research Institutes - QSTP's key feature: co-location with top-ranked international universities at Doha's Education City, who are establishing teaching and research programs of identical standard as their home campuses.

Other Benefits and Incentives

QSTP offers other compelling advantages, which make it the preferred location in the Gulf for technology companies:

- QSTP is the only location in the region offering ready-to-occupy laboratory space as well as first-rate offices. Companies are spared enormous time and cost by leasing these facilities compared to building their own.
- Education City's universities are the leading academic institutes in the region, and the only ones undertaking research of international significance. Tenants have valuable access to their faculty, equipment, and most importantly their highly qualified students.
- For entrepreneurs and start-up enterprises, QSTP is implementing a raft of tangible support programs such as a venture capital fund, mentoring, and human resourcing assistance.
- QSTP is a non-profit entity and does not seek to make a commercial return. Yet its tenants still receive a highly professional, customer-focused service.
- Being part of Qatar Foundation, QSTP is a prestigious and prominent location and its tenants gain visibility in the Qatar community.

Current Tenants

QSTP's tenants as at year-end 2009 include among others world-renowned names such as:

- **Cisco** plans to invest around $40 million over the coming three years to establish a research and technology base at QSTP. Cisco will collaborate with Qatar Foundation on a series of projects to enable QSTP's vision of transforming Qatar into a knowledge-based economy.
- **European Aeronautic Defense and Space Company (EADS)**, who will deliver training and certification programs for non-destructive testing technologies, and internationally

accredited training courses in aircraft maintenance. It will also include other R&D programs.

- **ExxonMobil**, who will establish the ExxonMobil Research Qatar center at QSTP to conduct LNG research.
- **Qatar Petroleum Research and Technology Centre** will define and participate in collaborative research projects that contribute to QP's operational performance.
- **GE**, whose Technology and Learning Center will deliver technical training for Aviation and Energy customers while GE's Global Research Center, Oil and Gas, and Water divisions will undertake research and development of technologies.
- **Microsoft**, who is undertaking collaborative research into national education, developing a new "Office 4 Kids" software suite, and developing training courses specifically for Qatar community.
- **Rolls-Royce**, who will design testing and maintenance facilities for new marine and aeronautical applications for its highly successful series of Trent gas turbine engines.
- **Shell**, is looking at bringing a cutting-edge GTL R&D program to Qatar. Shell will work on developing and implementing new technologies to enhance production from oil and gas and a learning centre.
- **Total**, will undertake R&D activities in five areas: multiphase oil and gas production, carbonate reservoir modeling, acid gas management, polymer production, and air-quality management.
- **ConocoPhillips** is looking at establishing a water sustainability centre at QSTP. The centre will examine ways of treating and using by-product water from oil production, refining operations and other industrial and municipal projects.

Support Programs

- **Proof of Concept Fund** – It provides grants for Qatar researchers to demonstrate the technical and commercial viability of their innovations. It helps them to move their technology from the lab bench to the point that commercial investors are ready to back it. Proof of Concept Funds is grants, so they do not need to be repaid and QSTP does not gain any ownership over the intellectual property.
- **New Enterprise Fund** – It provides capital for start-up technology companies locating at Qatar Science & Technology Park.
- **Corporate Innovation and Entrepreneurship Program** – It teaches the process of how great business ideas are generated, evaluated, and put into practice in the real world.
- **Mentoring Program** – It provides leaders of start-up companies at the science park with intensive, one-to-one guidance from experienced builders of technology businesses.
- **Investor Readiness Program** – It helps entrepreneurs raise capital by giving them the skills to prepare winning business plans and investment proposals.

Workshops and Seminars

- **Structured Investor Readiness Support** - Designed for entrepreneurs imminently seeking investment, and requiring intensive support to get there. An expert is assigned for up to 30 days to provide one-to-one coaching, with the cost covered by QSTP. At the end of this stream the entrepreneur is fully ready and intent on presenting to investors. Open to entrepreneurs and small-to-medium companies that intend to establish a tech start-up at QSTP.
- **Informal Investor Readiness Support** - Designed for entrepreneurs requiring guidance from an investor-readiness expert, but at a level that is less intensive and formal than under the "structured" stream. Up to five days of one-to-one coaching is provided, the cost covered by QSTP. Open to entrepreneurs and small-to-medium companies that intend to establish a tech start-up at QSTP.

Current Members

- Chevron
- Cisco
- ConocoPhillips
- EADS
- ExxonMobil
- Fuego Digital Media
- GE
- Hydro
- iHorizons
- Institut de Soudure
- Meeza
- Microsoft
- Qatar Petroleum
- Qatar Robotic Surgery Centre
- Qatar University Wireless Center
- Qtel
- Rolls-Royce
- Shell
- SMARD
- Tata Consulting Engineers
- Total
- TRL
- Virgin Health Bank

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VII. Energy City Qatar

Energy City Qatar is a master planned business development to be located in the new city of Lusail, just north of Doha, Qatar on the Arabian Gulf. The ECQ Headquarters building will be the hub of activity for the development which is planned as a center for businesses involved in the energy industry in the Middle East.

This three building headquarters project is to be the focus and beacon for the entire business development. Each building houses a different function critical to the operation of the overall ECQ development. The project will include a Corporate Office Center, a Banking Center with Trading Floor and the region's first Tier 4 IT/Data Center. Connecting the building components will be a large atrium space giving the project a campus feel and providing spaces for interaction between the individuals doing business at Energy City Qatar.

The project will utilize multiple sustainable technologies to achieve a LEED Gold certification. Strategies for sustainable design include thin-film photovoltaic modules integrated into the exterior enclosure, wind towers to aid the building's environmental control systems, passive solar shading, use of indigenous landscaping and other environmentally sensitive design strategies.

Facilities and Incentives

ECQ is investing in the development of a wide range of services that will improve operational efficiency of oil and gas companies. The following facilities and incentives are:

- **International Mercantile Exchange (IMEX)** – This will be a dedicated trading platform for the trade of energy related contracts, futures, derivatives and products of energy commodities within the region.
- **Co-location Facility** – It will house a world class co-location facility that will provide state-of-the-art communication, data processing and data storage services.
- **Business Processing Outsourcing Center (BPO)** – This will provide its tenants with business process outsourcing services that allows tenants to focus on business without having to create any back office support.
- **Remote Control Center** – ECQ's oil and gas downstream services will offer a dedicated robotics platform that will provide services related to visual testing, measurement, and auto operations solutions for the difficult to reach locations.
- **Conference, Information and Press Center** – It will house a mix use conference, information and press center which will consist of one large auditorium, a number of break-out rooms, and one large multi-purpose hall.
- **Facilities Management Center** – This will co-ordinate many functions including the day-to-day operations, maintenance, security, systems management and activities planning and provisioning.
- **Contact Center** – It will house advanced multi-channels communication network that is accessible from anywhere in the world, and will be supported by a number global centers that act as back-up and recovery centers with almost zero down time.
- **Financial Services** – It will have fully automated suites of financial services that are based on easy accessibility and speed of delivery.
- **Global Oil and Gas Procurement Center** – It plans to create the world's first global oil and gas procurement center, which will be a virtual market place for oil and gas companies founded on advanced technology.
- **Museum** – This will house the region's only oil and gas museum that will provide visitors with a unique experience of learning more about our globe, its energy sources, the environment, and the regions importance and history in this sector.
- **Shipping Brokerage and Logistics** – It will provide a full logistical service that covers all types of shipping, booking, receiving, bill clearing, and insurance for any type of oil and gas related goods, materials, machinery, and also dry and wet goods.
- **Retail Outlets** – It will house a number of retail outlets which will include food, grocery, dry cleaning, bookstores and office supplies, medical, beauty, tourism, banks branches, transportation, etc.
- **Advanced Training and Simulation Center** – ECQ will develop in partnership with global companies a number of on-site and offsite training facilities for the oil and gas sector.

Other Incentives under Review are:

- No Taxes
- 100% Foreign Ownership
- Incorporation as a Local Company
- Trade with no Local Agent
- Sponsorship of Expatriate Employees
- Duty-free Import of Goods and Services
- Unrestricted Repatriation of Profits and Capital
- Operate as a Branch of a Foreign Owned Company

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VIII. World Cup 2022

In winning the bid and the right to host and stage one of the world's most prestigious and iconic sports event brings a new dawn of opportunities and benefits for Qatar, the Arabian Gulf region, and, indeed, the whole Middle East.

Despite being a diminutive nation in the Middle East, FIFA has given Qatar the trust and confidence of a once-in-a-lifetime chance to prove its resolve to the world that it has the means, capability and the resources to hold this phenomenal sporting episode despite all the criticisms it has received.

Presently, winning the bid "is fuelling increased interest within tourism and related travel sectors", according to organizers of the leading travel exhibition in the Middle East region. Likewise, according to Mark Walsh, group exhibition director, Reed Travel Exhibitions, "Qatar's World Cup coup is driving tourism industry optimism across the region…", and according to National Bank of Kuwait, "the winning bid is bringing renewed impetus to may infrastructure projects vital to growing Qatar's tourism sector."

"Qatar's winning the bid to host the FIFA 2022 World Cup soccer will also boost the infrastructure projects happening in the country, estimated to be worth more than $100bn, based on public-private partnerships model... The guide focuses on infrastructure projects, excluding oil, gas and petrochemical sectors. The report reveals the present value of major infrastructure projects that are now under construction…, which amounts to more than $55bn, around half of the estimated $100bn to be awarded in the near future."

Thus, from here forward to the World Cup 2022 games history is in the making for Qatar, as a country that has so much to offer, and, for the Middle East region as a whole.