



Ministerie van Buitenlandse Zaken

Doing Business in Qatar

The Gulf region (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates) has experienced high economic growth in recent decades, due largely to their vast oil and gas reserves. Trade between the Netherlands and the Gulf States has increased remarkably and Dutch businesses have built up an excellent reputation. In 2016, the export of goods from the Netherlands to the Gulf reached €6,4 billion. Diversification efforts in the Gulf countries – aimed at reducing dependence on oil and gas and increasing the share of the private sector in the economy – offer new opportunities for Dutch companies in the areas of agriculture and horticulture, (renewable) energy, transport and logistics, aviation and health care.

Qatar and the Netherlands share common features: they are both relatively small countries with high aspirations, they are open to the sea, and their international trade is the basis of their wealth and economic prosperity.

Qatar was established on 18 December 1878, and declared independence on 1 September 1971 after having been a British protectorate for over half a century. The country rapidly modernized during Sheikh Hamad's term of office (1995 – 2013). In 2013 he voluntarily ceded power to his son, the current Emir, Sheikh Tamim bin Hamad Al-Thani (1980).

Over the recent years, Qatar has been one of the fastest growing economies globally, and its GDP per capita of \$66,415 is the world's highest. Qatar ranks 18th in the Global Competitiveness Index and is placed 83rd in the Ease of Doing Business Index. Qatar has a large expat community: the 2.3 million expats account for nearly 90% of the country's population.

The emirate accumulated much of its wealth through petroleum and natural gas exports, but is increasingly aiming to diversify its economy. Qatar's government laid out a blueprint for its future economic structure in 'National vision 2030', where economic diversity and sustainability are pivotal themes. This broad plan opens up a new range of business and investment opportunities, amongst others in the healthcare, agriculture & water, and sports sector.

Priority sectors

Energy Sector

Qatar has the world's third largest proven natural gas reserves, making the country the second largest exporter of natural gas. Petroleum and natural gas have accounted for more than 70% of the government revenues, more than 60% of the gross domestic product, and 85% of export earnings. Qatar's energy sector is vast, complex and well developed, encompassing a diverse array of state-owned energy companies, along with

strong private sector participation in nearly all major energy projects.

In April 2017 Qatar lifted a self-imposed moratorium on development of the world's biggest natural gas field, and in July 2017 announced that its LNG production will increase by 30% over the next several years. The expansion will increase output levels of Liquefied Natural Gas (LNG) production from 77 million tons per year to 100 million tons. Investment in the additional LNG production capacity could be USD 20-30 billion according to estimates from experts and can be translated into mega projects.

Several Dutch companies are involved in the energy sector, Shell Qatar is the biggest investor with USD 20 billion in the Pearl Gas-to-Liquids (GTL) plant. Developed in partnership with Qatar Petroleum, this plant is the world's largest GTL plant and the one of the most complex and challenging energy projects ever commissioned.

Agriculture & Water

Qatar has a very limited agricultural sector, producing mostly date palms and vegetable crops. Climate and water constraints are the major bottlenecks in crop production in Qatar. The Qatari Government has started planning food security and water management programs to address the issues of water scarcity and food shortages which have increased in Qatar over the past years. Because of the recent blockade by surrounding countries, which started on the 5th of June, food and water security became an even bigger priority. The Qatari Government wants to boost local production, to increase self-sufficiency by setting up 1400 farms covering 45,000 acres of land in the next five years.

Qatari Government agencies have indicated an interest in Dutch expertise and technologies in the areas of food security and water treatment. Given the Dutch well-known reputation in this sector, more and more Dutch companies are seeking opportunities to invest in this sector in Qatar.

Sports Sector

The market size of the sports sector in Qatar is expected to reach \$19.77 billion by 2023. The Ministry of Economy and Commerce of Qatar has identified 83 commercial and investment opportunities in sports for the private sector in Qatar. These opportunities have been classified into seven sectors: Management and promotion of sporting events, sport development, establishment and construction of sports facilities, merchandise and sports equipment, sports marketing, sport tourism, and operation and maintenance of sports facilities.

These developments include plans to host various international sporting events over the next seven years, including the 2018 Gymnastics World Championships, the 2019 World Championships in Athletics and the 2022 FIFA World Cup, in

addition to more than 30 local, regional and international sporting events, hosted in Qatar each year.

Healthcare Sector

Qatar's healthcare market is the fastest growing healthcare market in the region. The country is committed to meeting Vision 2030's ambition to develop a comprehensive world-class health care system accessible to the whole population. Qatar's six-year national development strategy 2017-2022 aims to nearly double the existing number of hospitals and medical centers from 35 to 66 by 2022.

The healthcare market in Qatar encompasses massive opportunities in R&D, products & equipment, knowledge transfer, education and business development.



Do's and don'ts in Qatar

Be prepared

With a population mainly consisting of expats, the protocols for doing business in Qatar often depend on who is being dealt with. There are many opportunities in Qatar, but expats need to familiarize themselves with Arabic business culture.

Personal relationships and networking

The business culture of Qatar is typically Arabic, in the sense that a lot of emphasis is placed on personal relationships between associates. Qatari businessmen prefer to do business with people they are familiar with, and who they feel they can trust. For this reason, expats may need help from a local agent (or sponsor) who can provide them with important introductions and recommendations.

Make sure to discuss general topics at the beginning of a meeting such as family life and show curiosity in country and culture. Being patient during the first dealings with potential Qatari business partners is important too – a lot of time is devoted to 'getting to know each other' before any actual

business is discussed. Meetings should also be confirmed ahead of time, as business schedules can quickly change.



Understand Business Etiquette

- The official language of Qatar is Arabic, although English is widely spoken and understood.
- Dress code is smart and conservative, especially for women.
- Qatar is very friendly and open to foreigners. However, it's essential that expats always behave with respect for Islamic culture and traditions.
- Business etiquette in Qatar reflects the close distance between personal and professional life that many Qataris maintain. Handshakes are the accepted greeting between men and the most senior person present should be greeted first. Arabic titles, such as Haji and Sheikh, should be used where appropriate to show respect. At the same time, personal discussions are common, especially in the beginning.
- Exchanging business cards when meeting associates for the first time is common. The reverse side of business cards should be printed in Arabic, and expats must spend some time examining someone else's card before putting it away.
- Exchanging gifts when meeting Qatari business associates for the first time is customary. Gifts should be wrapped and of high quality, never give alcohol or anything made of pigskin products.
- Qatar is an Islamic state, but it is one of the most progressive Gulf countries with regards to attitudes toward women in the workplace. Foreign women, especially, are respected and valued in Qatar – although they might need to dress and behave more conservatively than they would back home.

Know your challenges

Qatar has a lot to offer, but there are undoubtedly challenges in doing business here.

- Most Qatari entities have a hierarchical management style. This slows down the decision-making process as different levels of the hierarchy need to be passed until the final decision maker is reached.

- Understand where to expect challenges: culture and language, laws and regulations, intellectual property rights, trade barriers, logistics, personnel and bureaucracy.
- Make sure you do due diligence prior to entering into contracts or other commercial arrangements, finding the right Qatari partner is essential for connections, networking and usually an active partner opens business opportunities doors.

Act responsibly

- Corruption can pose a serious barrier for doing business in Qatar.
- Dutch businesses are expected to integrate social, environmental, ethical and human rights concerns into their business operations and core strategy in close collaboration with their stakeholders.

How can we support your business?

If your company is in need of support, do not hesitate to contact the Netherlands Embassy in Qatar. The Economic section of the Embassy can be contacted via email at DOH-EA@minbuza.nl. In a government-dominated environment such as Qatar, we can help open doors for you.

Our main services are as follows:

- Finding potential business partners
- Providing information on sectors and rules and regulations
- Advising on the ecosystem players
- Supporting trade missions and visiting programs to Qatar
- Organizing meetings with relevant authorities
- Monitoring business opportunities
- Advising on available instruments and services

Business Support Instruments

For further promotion and strengthening of economic relations, the following Dutch trade instruments are offered in Qatar:

Customized information

Specific sector information, leads to help taking a strategic decision on how to enter a market.

Business Partner Scan (BPS)

A Business Partner Scan is an overview of possible business partners with their contact information in a target country. These business partners are personally approached by the Embassy's economic team and have indicated they want to come into contact with the Dutch company requesting this service. Dutch companies can profit from the government's extensive network of offices abroad, local market knowledge and know how to deal with language and cultural barriers.

Starters International Business (SIB)

This program aims to support companies likely to be successful with their first steps in a foreign market. Companies can apply for a voucher worth € 2,400 that can be used for individual coaching support supplied by various agencies, such as chamber of commerce, various trade associations and consulting companies.

Partners for International Business (PIB)

Create market entrance and long-term positioning of clusters of Dutch SMEs in promising markets with the help of the unique role of the government. Promotional activities include missions, seminars, liaison, Holland branding and promotion materials. Currently there are two active PIBs' for Qatar on Energy and Healthcare.

Relevant links and contacts

Netherlands Embassy in Qatar:

<https://www.netherlandsandyou.nl/your-country-and-the-netherlands/qatar/doing-business>

Qatar Embassy in The Hague: <http://hague.embassy.qa/en>

Dutch Business Council in Qatar:

www.dbcqatar.com Netherlands

Enterprise Agency (RVO): www.rvo.nl

Official name	State of Qatar
Government type	Absolute hereditary monarchy
Population	Around 2.57 million: 313000 Qatari citizens, 2.3 million expats.
Area	11,437 km ²
Time difference	(UTC +3)
Official language	Arabic, English
Currency	Qatari Riyal
GDP growth rate	2,5 % (2017)
GDP per capita	\$66.415 (2016)
Trade volume	In 2016, Qatar exported \$55,1 bln. and imported \$31,9 bln. resulting in a positive trade balance of \$32,2 bln.
Global Competitiveness Index	18 (out of 138)
Ease of Doing Business	83 (out of 190)
Global Corruption Index	31 (out of 176)
Main trading partners	United States, India and China
Major exports	Petroleum gas, Crude petroleum, refined petroleum and Sulphur.
Major imports	Cars, Gas turbines, Aircraft parts and planes, helicopters, and/or spacecraft, and agriculture products.
Netherlands - Qatar trade	EUR 1 bln. (2016)

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<https://www.netherlandsandyou.nl/>

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