



مركز قطر للمال
Qatar Financial Centre

DOING BUSINESS IN QATAR



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Welcome to the Qatar Financial Centre

Established in 2005, the Qatar Financial Centre (QFC) is recognised as one of the leading and fastest onshore growing business and financial centres in the world.

Qatar offers a thriving, state-of-the-art environment for organisations looking to capitalise on all the MENA region has to offer and expand their business in Qatar and beyond. The QFC is there every step of the way, helping with easy setup, access to experts from around the world and an unmatched taxation, legal and regulatory environment.

The QFC also plays a key role in attracting foreign investment by providing a first-class legal system based on English common law, and a competitive location to grow revenue with one of the most compelling tax environments in the world.

A centre of success

Few markets can match the pace of Qatar's economy. As part of the National Vision 2030, the government introduced a US\$200 billion investment programme. This initiative focuses on four main pillars: economic development, social development, human development and environmental development. Off the back of this, infrastructure projects, commercial and residential developments, international sporting events and large-scale economic diversification plans are all driving demand.

In response, the QFC has targeted specific markets, including London, Germany, Hong Kong and Singapore, and has seen a vast increase in interest from these regions and has attracted some of the world's most renowned names in the Financial Services sector alongside Professional Business Services in sports, healthcare, transport, advisory and others.

In 2017, the QFC saw record growth with a 66% increase in new firms being licensed. In the same year, we were awarded 'Best Private Sector Developer' by International Finance Magazine (IFM) for diversifying Qatar's economy.

The total number of firms on the QFC platform reached 461 at the end of 2017, compared to 348 at the end of December 2016 – an increase of 32.5 per cent. This figure has grown to 507 in H1 2018.

The demographic mix of businesses within the QFC



A platform for growth

QFC's success is due to the appeal of our platform, which is unique in the region. Businesses that work with us benefit from:



01
**WORLD-CLASS
REGULATOR**



02
**100% FOREIGN
OWNERSHIP**



03
**10% CORPORATE
TAX ON LOCALLY
SOURCED
PROFITS.
NO WITHHOLDING
TAX**



04
**ONSHORE
BUSINESS &
FINANCIAL
CENTRE**



05
**COMPELLING
TAX & BUSINESS
ENVIRONMENT**



06
**100%
REPATRIATION OF
PROFITS**



07
**TRADE IN ANY
CURRENCY**



08
**LEGAL
ENVIRONMENT
BASED ON
ENGLISH
COMMON LAW**

Key considerations

Setting up or expanding an organisation overseas can be challenging. There are countless considerations, both in the short and long-term, from the initial exploratory phase to continuing financial forecasts. The key initial considerations for most businesses include:

- Business potential
- Potential for profitability and long-term growth
- Demand for products/services
- Competitor landscape
- Financial incentives/tax advantage
- Favourable regulatory laws
- Robust ICT Connectivity
- Affordable premises
- Existing staff relocation
- Available domestic workforce
- Ease of licensing
- Cultural fit
- Living conditions
- Stability and sustainability of business operations

QFC can help with further in-depth research, country visits, and discussions with government and trade bodies. We understand every business is looking for different levels of support, so we tailor our approach to every organisation we work with.

Common concerns

The QFC has worked with hundreds of businesses, so we have an in-depth knowledge of the common questions and concerns businesses initially have. Here are the top 5 questions frequently asked in the first steps of setting up or expanding a business in Qatar:

01 IS SETTING UP A BUSINESS IN QATAR COMPLEX?

It's straightforward for businesses to set up with the QFC. Once an application is submitted, a dedicated relationship manager guides them through the process of registering, obtaining a license and beginning operations. Applicants should receive an initial response within approximately 5 business days, with the Regulatory Authority aiming to process all applications in under 3 months.



02 MARKET SECTOR WORTH

Businesses can take advantage of the QFC's compelling tax environment to retain their profits and Qatar is going from strength to strength with the government's US\$200 billion investment programme, underlining their ongoing commitment to developing infrastructure. Part of Qatar's 2030 vision is to attract foreign investment and an international talent pool to create a diverse knowledge economy that lasts beyond oil and gas reserves.

Specifically the following market sectors are receiving the following investment to 2030:

USD \$20 Billion investment in Qatar's Sports and Events Market till 2023

USD \$12.8 Billion for Transportation Market

USD \$5.8 Billion Healthcare Market

USD \$5.5 Billion Tourism and Culture Market

Qatar's already reaping the benefits of their long-term plan to diversify and have made significant gains in strengthening non-oil sectors, such as manufacturing, construction, and financial services. Over 60 per cent of its GDP is now from non-hydrocarbon industries.

In addition, Qatar will be the first Arab country to host the FIFA World Cup in 2022 and US \$200 billion is estimated to be spent on infrastructure ahead of the event.

There's a lot of growth potential in the healthcare industry. This increase in demand has been led by the region's high disposable income and rising population and the market is expected to grow at a CAGR of 12.7 per cent between 2015 and 2020. With 39.3 Million outpatient and 400,000 inpatient visits by 2033. Qatar is expanding 5 hospitals and developing 52 healthcare facilities.

In 2017, the International Monetary Fund (IMF) ranked Qatar as the world's richest country per capita. The international organisation also estimates that Qatar's real gross domestic product (GDP) will accelerate from 2.6 per cent in 2018 to 2.7 per cent in 2019. This is the highest IMF forecast for real GDP in the Gulf.

In addition, Qatar was placed 25th, out of 137 countries, in the World Economic Forum Global Competitiveness Report 2017-2018 and was in Forbes' Top 40 'Best Countries for Business' list in 2017.

03 WHAT ARE THE LEVEL OF TAXES FOR FOREIGN BUSINESSES?

Companies wanting to do business in Qatar with QFC enjoy a compelling taxation platform to grow their revenue. QFC's low-tax economy is aligned with international standards and features key benefits such as:

- Double Taxation Agreement, which Qatar has with 60+ countries
- 10% corporate tax on locally sourced profit
- No personal income tax or wealth tax
- 100% repatriation of profits
- No withholding tax on dividends, interest, royalties or management fees

"We've seen a lot of interest from companies in Germany and the UK that are looking to expand to the region and we are confident that we will be welcoming a host of companies from these markets in the near future."

Yousuf Mohamed Al-Jaida, Chief Executive Officer, QFC Authority

04 QATAR REMAINS ONE OF THE FASTEST GROWING ECONOMIES IN THE WORLD

In March 2018, the International Monetary Fund (IMF) reported that Qatar's banking system the economy is expected to grow 2.6 per cent in 2018 compared to 2.1 per cent in 2017. They also reported that the fiscal deficit is estimated to have narrowed to about 6 per cent of gross domestic product in 2017 from 9.2 percent in 2016.

At least 120 business have joined the QFC in the last year alone, which represented a 66% increment over the period of June 2017 and March 2018 – the most successful year in our 13-year history. This took the number of registered firms to 507, which is more than the halfway mark set for our 2022 strategy.

Fiscal consolidation with prudent expenditure and a public financial management reform program are all adding value to the overall primary fiscal balance.

05 IS QATAR A SAFE PLACE TO LIVE?

Qatar ranked as the 13th most peaceful country on the planet, out of a total of 163, in the 2017 Global Peace Index for the 10th year running. It was the only country in the Middle East and North Africa region (MENA) to be placed amongst the world's 50 most peaceful countries.

The Qataris are welcoming people, who embrace change and have a tolerant and open-minded outlook to visitors. Both nationals and expats enjoy comfortable lives here, as demonstrated by the over 85 nationalities that chose to settle.

In the 2018 Global Crime Index by Number, the country ranked as having the second-highest safety index in the world, between Japan and Singapore.



Reasons to set up a business in Qatar

KEY BENEFITS

Profit growth – ranked amongst the wealthiest countries in the world with a US\$200 billion investment programme, as well as boasting the highest GDP per capita

Compelling tax economy – internationally aligned and competitive, with no income tax on salaries

100% ownership – full control of business

Operates within Common law – a legal and judicial framework based on English common law

Amazing lifestyle – a very high standard of living with a thriving community, made up of expats from more than 85 countries



Qatar's National Vision 2030

Launched in 2008, Qatar's Nation Vision 2030 aims to build a bridge from the present to the future, transforming the country into an advanced society capable of achieving sustainable development and securing a high standard of living for future generations.

The plan's goals are divided into four central pillars: economic, social, human and environmental development, with a vision of a vibrant and prosperous Qatar with economic and social justice for all.

An important part of the vision is to create a diverse knowledge economy that lasts beyond oil and gas reserves and the government's US\$200 billion investment programme underlines this commitment.

Foreign Direct investment is key in this long-term plan to diversify and strengthen non-hydrocarbon industries – increasing competition, stimulating growth and creating an international talent pool. Domestic entrepreneurship will play a vital role in this initiative

The result for businesses will be a flexible, economic climate that's characterised by low inflation rates and a sound fiscal policy capable of attracting foreign funds, technologies and investments.

The vision also includes the following aims:

Contribution towards international peace and security through political initiatives and developmental and humanitarian assistance

A regional and global example with an increased role in the Middle East and the world

Sponsorship and support of dialogue among civilisations, promoting coexistence between different religions and cultures

Provide high-quality services that respond to the needs and desires of individuals and businesses

An effective social protection system for all Qataris that ensures their civil rights and values their contribution in developing their society

Equal educational, employment and career opportunities for all citizens, regardless of their background or gender

Enhance women's capacities and empower them to participate fully in the political and economic spheres, especially in decision-making roles

Education

Qatar has in the past years significantly increased spending in education, becoming one of the biggest investors in education. In 2009 it founded the World Innovation Summit for Education (WISE), which has since established itself as global reference in innovation in education.

The country is home to many native education institutions and foreign faculties at different levels, all conveniently located in “Education City”. This extended campus covers over 5 square miles and houses 9 universities, including Weill Cornell Medical College in Qatar, University College London (UCL Qatar) and Hamad Bin Khalifa University (HBKU).

Another highlight in Qatar’s educational achievements is the International Research and Development Centre (R&D), which works to further develop research and development excellence and innovation in the country. This centre is amongst many other initiatives that resides in the Qatar Science and Technology Park (QSTP), a hub for scientific and technologic innovation and commercialisation.

Education institutions

Qatar is home to the highly respected Qatar University as well as many branch campuses of overseas institutions such as Cornell, Georgetown and Carnegie Mellon Universities which are clustered together at ‘Education City’ on the outskirts of Doha. Pedigree institutions include:

- Carnegie Mellon University in Qatar
- Weill Cornell Medical College
- Northwestern University in Qatar
- Academic Bridge Program
- Doha Film Institute

In addition, the Qatar Science & Technology Park is a hub for technology, research and knowledge based companies situated close to Education City.

Market stability

The government's US\$200 billion investment programme

The world's richest country per capita with a GDP of approx. \$124,930 per person

Notable forecast in Gulf for real GDP – 2.6 per cent in 2018 to 2.7 per cent in 2019

25th out of 137 countries in Global Competitiveness Report 2017-2018

In Forbes' Top 40 Best Countries for Business list in 2017

Proved natural gas 25 trillion cubic meters – 13% of the world's total reserves

Proved oil reserves 25 billion barrels, allowing production to continue for 56 years

Over 60 per cent of GDP from non-hydrocarbon industries

20 billion investment in Qatar's sports and events market till 2023

Estimated US\$5.8 billion healthcare industry by 2020

Sector worth

Qatar's 2022 FIFA World Cup bid, have been a catalyst for Qatar's US\$200 billion infrastructure budget, however, the bulk of this amount is for long-term development. This is significant in strengthening the non-hydrocarbon sector, so it's good news for potential investors from other industries, both domestically and for foreign businesses.

Qatar's manufacturing sector, non hydro carbon sector led the way in 2017 with exceptional growth and expansion. New factories were set up following the blockade to secure self-sufficiency, and the number of plants doubled in the first six months, compared to the same period in the previous year. New plants in food, cement, plastic and steel have particularly developed at a fast pace, and a total of 730 industrial facilities have been registered.

Construction in Qatar is the fastest growing construction market in the Gulf region. In 2017, US\$26 billion was allocated for major projects and accounted for 47 per cent of Qatar's total expenditure that year. The industry's expected to reach US\$106.9 billion by 2022 and remain sustained long beyond the 2022 World Cup, with thriving healthcare amenities, manufacturing plants, educational facilities and housing projects.

As previously mentioned, the healthcare industry

is seeing a steady increase in growth – a result of the region's high disposable income and rising population. The market is expected to grow at a Compound Annual Growth Rate of 12.7 per cent between 2015 and 2020.

The consumer and retail markets are also transforming, with over 1 million sq m of retail space set to open in between 2018 and 2020. Consumer sentiment is the highest in the MENA region and the retail sector is forecast to grow at an average 9.8% annually between 2013 and 2018.

Qatar's luxury lifestyle means high-end hospitality is flourishing, too. Michelin-starred chefs have already been lured to Doha, including Gordon Ramsay and Alain Ducasse. Over 10,000 hotel rooms and 2,000 serviced apartments were in planning or construction during 2017 and the tourism sector is expected to reach US\$5.5 billion by 2025.

Working with the QFC

The QFC operates in line with international best practice and standards. Like other major financial centres around the world, we operate within a transparent, accessible and robust legal, tax and dispute-resolution environment. Our services include:

- Unbiased, honest representation of Qatar
- Sector-specific information and contacts
- Access to a legal system based on English common law
- An independent court, regulatory tribunal and dispute-resolution centre
- Connecting companies to Qatar's business networks

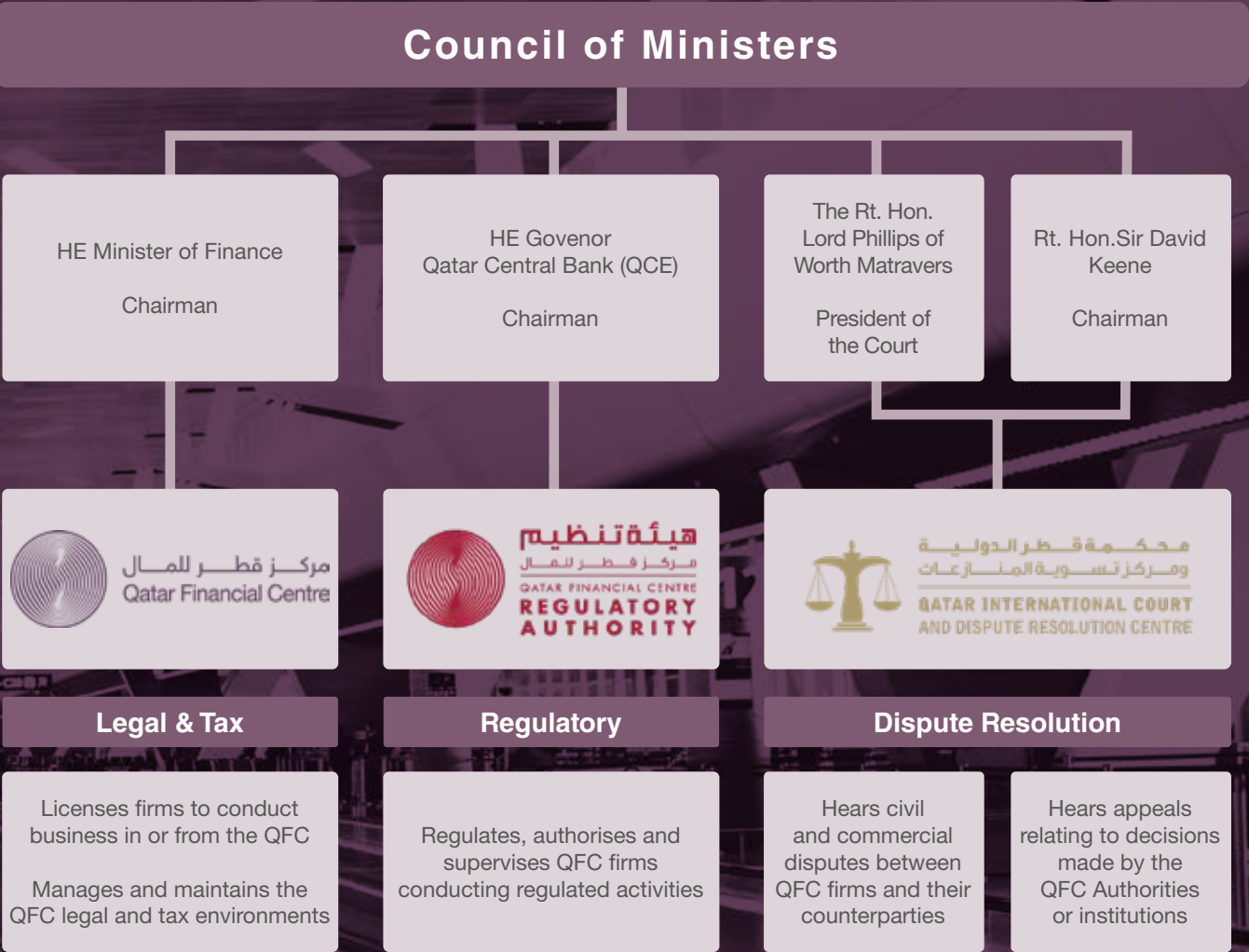
QFC Authority

To minimise regulatory and legal complexity for foreign investors, the QFC Authority manages and maintains the QFC legal and tax environment and licenses companies to conduct business in or from the QFC.

The QFC Authority also develops relationships with the global business and financial community and other key stakeholders, both within and outside Qatar, helping to develop the country’s private sector. QFC firms benefit from:

- A legal and judicial framework based on English common law
- An independent court, regulatory tribunal and dispute-resolution centre
- 100% foreign ownership
- 100% repatriation of profits
- 10% corporate tax on locally-sourced profits
- Access to Qatar’s DTA with 60+ countries
- No restrictions on the currency used for trading
- A quick and easy set up process
- A fair and transparent consultative process in which all stakeholders, including QFC firms, are consulted informally and formally about new or revised legislation and policy
- An Employment Standards Office (ESO), a specialised institute that oversees all employment matters and ensures the business community has access to all the latest communications and related activities

QFC structure



Businesses we license

NON-FINANCIAL SERVICES

Business services

Advisory/consulting
Audit
Tax consultancy
Information technology
HR consultancies
Logistics planning and consulting
Environmental consulting
Project management
Legal
Estate planning and will writing
Activities of patent and copyright agents
Information services
Media representation services
Advertising agencies
Public relations
Marketing and brand management
Specialised design activities
Event management services
Third party administrator
Loss adjustment
Architectural activities
Engineering related scientific

& technical consulting
Urban planning & landscape architectural activities
Accreditation
Other services

LLC (G)s

Business councils
Professional associations

CORPORATE HEADQUARTERS MANAGEMENT OFFICES & TREASURY FUNCTIONS

Special purpose companies
Holding companies
Single family offices
Trusts and trust services
Corporate solutions
Investment clubs
Foundations

FINANCIAL SERVICES

Banking
Corporate/Wholesale Banking
Investment Banking
Private Banking
Asset Management
Retail Schemes (UCITS)
Qualified Investor Schemes
Private Placement Schemes
Insurance/Reinsurance
Captive Insurance
Islamic Finance
Investment Advice & Investment Services
Fiduciary Businesses
Captive Structures
Capital Markets Vehicles
Fintech

ARE YOU CONSIDERING SETTING UP OR EXPANDING YOUR BUSINESS IN QATAR?

Find out how you can grow your organisation in one of
the most stable economies in the world by speaking to
one of QFC's dedicated relationship managers today



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