

U.S. BUSINESS OUTLOOK IN QATAR

2nd Edition

September 2020



U.S. CHAMBER OF COMMERCE
Middle East & Turkey



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U.S. CHAMBER OF COMMERCE
Middle East & Turkey



PREFACE

The U.S. Chamber of Commerce is pleased to release this second edition of the *U.S. Business Outlook in Qatar Report*, which is intended to serve as a barometer of U.S. business sentiment in the State of Qatar. Our hope is that American and foreign companies as well as thought leaders from governments, academia, and non-government organizations in the U.S. and across the Middle East will utilize this report to understand the opportunities and issues for businesses in Qatar. The publication of this report coincides with the third U.S.-Qatar Strategic Dialogue, held September 14-16, 2020. We applaud both governments for continuing to elevate the commercial and trade relationship between the U.S. and Qatar, and we hope this report helps to inform the Strategic Dialogue and deepen understanding of one of the world's most vibrant and rapidly growing markets.

The substantive context of this report was informed by a survey of senior business executives from companies doing business in Qatar as well as more in-depth interviews with a few select business leaders. The participants in the survey include small and medium-sized businesses and large multinational corporations working in a variety of sectors including services, healthcare, digital, infrastructure, energy, defense and more. This report follows the first edition of *U.S. Business Outlook in Qatar Report*, which was published in 2015.

The U.S. Chamber is home to the U.S.-Qatar Business Program, which is co-chaired by ConocoPhillips and ExxonMobil, and we have an expansive program of work on Qatar. We welcome your feedback on this report and more broadly on our work in Qatar, and encourage you to send comments and suggestions to Steve Lutes, Vice President for Middle East Affairs, at slutes@uschamber.com and Liz Clark, Manager for Middle East Affairs, at lclark@uschamber.com.

Sincerely,



Khush Choksy
Senior Vice President, Middle East, Turkey, Central Asia Affairs
U.S. Chamber of Commerce



**SPECIAL THANKS TO THESE COMPANIES FOR THEIR
SUPPORT OF THIS REPORT**


ConocoPhillips

ExxonMobil

**NORTHROP
GRUMMAN** 

ADELPHI CAPITAL

 **RBIS**
OPERATIONS



OBJECTIVES: BUSINESS OUTLOOK IN QATAR REPORT

As noted, the U.S. Chamber of Commerce is pleased to release the second edition of the *U.S. Business Outlook in Qatar Report*, which coincides with the third U.S.-Qatar Strategic Dialogue held September 14-16, 2020. The Strategic Dialogue brings together both governments for important discussions on a range of issues important to the overall bilateral relationship. Trade and investment are two of these key topics, in addition to others such as regional cooperation, healthcare, labor issues, counterterrorism and security, energy, and culture and education. The Strategic Dialogue was initiated in 2018 with the elevation of the then U.S.-Qatar Economic & Commercial Dialogue, which was first launched in 2015.

The U.S. Chamber of Commerce applauds the Governments of the United States and the State of Qatar for their efforts to improve the relationship between our nations by regularly holding discussions about mutually beneficial areas of opportunity through this Dialogue. The Chamber has long advocated for this platform as a way to ensure consistent and sustained engagement by our governments on the U.S.-Qatar relationship. As in previous years, this Dialogue will serve as a vehicle to consider important topics and issues that enhance the bilateral economic relationship on a number of levels.

Given the confluence of the Dialogue and the publishing of this report, and with an eye toward enriching the discussion, we urge the following be considered during the U.S.-Qatar Strategic Dialogue:

- 1) **Agree on a list of economic issues** that could immediately and favorably impact bilateral economic ties.
- 2) **Identify concrete steps** that both sides can take over the next year that would bolster trade and investment.



- 3) **Provide a timeline to accomplish objectives** so that the Dialogue continues to be an action-forcing event for both sides and compels all participants to deliver material progress throughout the year.
- 4) **Publicize the U.S.-Qatar economic agenda** in order to demonstrate to a variety of stakeholders and Qatari and American audiences that both countries and business communities are committed to a set of concrete steps meant to bring about enhanced commercial and investment ties.
- 5) **Consider further elevating the Dialogue to a U.S.-Qatar Strategic Partnership** as has been recommended by the Transatlantic Leadership Network due to the increasingly strategic nature of the bilateral relationship.

THE ECONOMY OF THE STATE OF QATAR

Qatar boasts a dynamic, robust and expanding economy. Though geographically small, Qatar has a strong record in energy, finance, and investment. Under the leadership of His Highness Tamim bin Hamad Al-Thani, Emir of Qatar, the country is currently one of the world's fastest-growing economies and has the second highest per capita income in the world.

While Qatar has 12% of the world's proven natural gas reserves...it has emphasized the importance of diversifying its economy and ensure its future beyond oil.

Qatar has about 12% of the world's proven natural gas reserves and is the world's fifth-largest gas producer, second-largest gas exporter, and largest LNG exporter. Although Qatar's economic growth has been primarily a result of its large oil and natural gas resources, it has emphasized the importance of diversifying its economy to ensure its future beyond supplying fuel.



With a GDP of \$184.5 billion and GDP per capita of \$65,000 in 2019, a sovereign wealth fund of \$320 billion, and increasing foreign exchange reserves, Qatar is utilizing its resources to be a major player not only in energy markets but other international industries. It has also embarked on an ambitious reform program to improve its business environment and attract foreign investors. Furthermore, Qatar believes that a successful and sustainable future lies in building a diverse, knowledge-based economy with a focus on sectors such as education, health care, fintech, and information technology, and it has actively encouraged exports beyond the energy sector as a part of its National Vision 2030 program.

BACKGROUND: ECONOMIC CHALLENGES AND REFORMS

The most significant challenge Qatar has faced in the last few years has been the severing of diplomatic and trade relations imposed in 2017 by several of its Gulf neighbors. Qatar's GDP growth rate slowed to 1.6 percent in 2017 as a result of the blockade, the weakest it has been in more than two decades. Growth was also dampened by efforts in Qatar to control public spending in response to declining energy prices.

In response to the blockade Qatar established new trade routes with other countries and put a stronger focus on economic diversification and development of local industries and supply chains in an effort to increase its self-sufficiency. As a result, growth in Qatar has remained steady.

Qatar has initiated several new large projects in the gas and non-hydrocarbon sectors and expanded its airport and port capacity in the wake of the blockade, making physical access to Qatar even easier than before. Nearly QR60 billion (US\$16.4 billion) in infrastructure and real estate investments are planned over the next four years in addition to the continued investments in FIFA infrastructure. This includes a projected increase in gas liquefaction capacity by more than a third through the North Field expansion project and the completion of the Barzan natural gas facility.



Growth has also rebounded in Qatar as it prepares to host the 2022 FIFA World Cup and finalizes projects around this major event. Furthermore, Qatar has invested heavily to develop and strengthen new sectors including fintech, healthcare, and agriculture, and it is working to incentivize companies in these sectors to enter the market.

Qatar has accelerated reforms to make doing business in the country even easier, helping mitigate economic losses and attracting new companies to the market. One recent reform allows foreigners across all economic sectors to have 100 percent ownership of companies, becoming the first country in the GCC to do so. Other reforms have given permanent residency to foreign workers aimed at attracting high-skilled foreign workers and building a knowledge-based economy. Qatar also recently approved a new Public-Private Partnership (PPP) law that aims to increase opportunities for the private sector and investors by streamlining the process to create PPP projects and bring new investment to the country.

In the 2020 World Bank Ease of Doing Business Report, Qatar is ranked 77th and was in the top 20 global business environment improvers. The World Bank Report lauded Qatar's National Development Strategy, and commended particular reforms around getting electricity, registering property, and getting credit.

Another important development in making its economy attractive to foreign investment is the establishment of the Qatar Free Zones Authority in 2018. These world-class free zones offer numerous incentives and benefits for businesses seeking to expand globally, including relocation funding and support, visa free entry from many countries, and customs duty exemptions on imports.

While Qatar now faces an economic downturn like the rest of the world due to the COVID-19 pandemic and drop in global energy prices, Qatar is well positioned to face limited lasting economic effects as a result of its recent reform and diversification efforts. Qatar is more resilient to low oil prices than other producers as it has the lowest fiscal break-even point in the GCC



(\$40/barrel in 2020), large financial buffers, and greater flexibility over oil output since leaving OPEC in January 2019. Although it faces a drop in GDP growth and decreased revenues due to the pandemic, Qatar has strong domestic production that will aid in economic recovery and there are still a multitude of opportunities and benefits to entering the market, as outlined further in this report.

QATAR'S NATIONAL VISION 2030

Launched in 2008, Qatar's National Vision 2030 defines broad, forward-looking trends and objectives through all parts of Qatari society and the economy. It provides a framework within which national strategies and implementation plans can be developed, and it demonstrates Qatar's commitment to economic growth and diversification and to developing new opportunities for American companies to work there.

Pillars of Qatar National Vision 2030

Economic Development

Development of a competitive economy makes Qatar capable of meeting the needs of all people in the present and future. Achieving this hinges on Qatar's ability to create a balance between an oil and gas-based economy and a knowledge-based economy by diversifying the country's economy and guaranteeing a stable and sustainable business environment.

Social Development

Development of a just and caring society based on high moral standards means Qatar can play a significant, global role. Social development also means equal educational, employment, and career opportunities, regardless of background or gender, and a tolerant and fair society that embraces Islam's values of peace, welfare, justice, and community.

Human Development

Development of Qatar's people enables the country to sustain a prosperous society. This includes holistic and modern healthcare infrastructure that



caters to all and an educational system on par with the highest international standards that prepares Qatar’s students to take on the world’s challenges and become tomorrow’s innovators, entrepreneurs, artists, and professionals.

Environmental Development

Management of the environment creates harmony between economic growth, social development, and environmental protection. National Vision 2030 emphasizes establishing an effective legal framework and environmental institutions that can serve as the guardians of Qatar’s environmental heritage while emphasizing the importance of increasing citizens’ awareness of their role in protecting the country’s environment for future generations.

OVERVIEW OF THE U.S.-QATAR ECONOMIC RELATIONSHIP

The United States and the State of Qatar have a close and collaborative relationship and extensive economic ties are a foundational part of that partnership. Over 120 U.S. companies operate in the country from a wide range of sectors and take advantage of the multitude of opportunities in Qatar’s market.

The U.S. and Qatar had US\$6 billion in total two-way goods trade in 2018

Qatar is currently the U.S.’ 57th largest goods trading partner with US\$6 billion in total two-way goods trade during 2018. U.S. exports to Qatar have grown 63% since 2008 and totaled \$4.4 billion in 2018. Exports primarily include aircraft, electrical machinery, machinery, vehicles, and arms and ammunition. Additionally, the U.S. is one of the major equipment suppliers for Qatar’s oil and gas industry, and U.S. companies have played a significant role in the development of the sector.

Qataris have also entered the U.S. market in growing numbers. U.S. goods imports from Qatar totaled \$1.6 billion in 2018, an increase of 225% since 2008. Primary imports include mineral fuels, fertilizers, aluminum, and



chemicals. Qatar’s FDI in the U.S. is also steadily growing, increasing over 10% in last few years.

The U.S. and Qatar signed a trade and investment framework agreement (TIFA) in 2004 to establish a framework for expanding trade between the two and resolve trade disputes, and as noted above the two governments hold annual bilateral Strategic Dialogues to help strengthen the overall bilateral relationship.

The U.S. Chamber of Commerce remains committed to working with our friends in Qatar and the governments of both nations to deepen and diversify the U.S.-Qatar economic relationship. By working together toward common goals, we can grow our economies, create jobs, and place new opportunities within reach for the people of both nations.

COMPANY PROFILE: CONOCO PHILLIPS



Exclusively **Exploration & Production.**
Focused on **Excellence.**

ConocoPhillips is one of the world's largest independent exploration and production company, based on proved reserves and production of liquids and natural gas.

At ConocoPhillips Qatar, we are committed to leveraging our global expertise and standard of excellence in everything we do to support the Qatar National Vision 2030. We endeavour to fully demonstrate our assets, capabilities and resources and strive to make a real difference in the communities we operate in. Through our outreach, we aim to be an integral part of the economic, social, human and environmental development of the country. Our partnership with Qatar Petroleum is a shining example of how the State of Qatar and ConocoPhillips are working safely and responsibly to provide the world with the energy it needs.

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ConocoPhillips
Qatar



BUSINESS OUTLOOK IN QATAR REPORT

The 2nd Edition of the U.S. Chamber of Commerce’s *Business Outlook in Qatar Report* is based on the responses to a survey given to member companies of the Chamber’s U.S.-Qatar Business Council and members of our affiliate on the ground in Doha, the American Chamber of Commerce in Qatar (AmCham Qatar). Approximately 25 companies responded to the survey. Additional information was also collected from more in-depth consultations with a number of member companies. Data was collected between September 2019 and June 2020.

The U.S.-Qatar Business Council membership is made up of a wide representation of U.S. companies with investments in Qatar. Members range in size from small and medium enterprises to major multinational companies and cover the range of sectors integral to the U.S.-Qatar relationship including energy, manufacturing, financial services, defense, logistics, and healthcare, among others.

The majority of data in this report was collected before the economic downturn that occurred due to the COVID-19 pandemic and volatility in global oil markets. However, since Qatar is projected to see minimal long-term impacts from these challenges and will likely grow steadily over the medium-term amid ongoing investment ahead of the 2022 World Cup and a rise in gas production, the results of this survey remain important and relevant. While the pandemic has inevitably changed the business plans of American companies working in the region and caused many to pull back on their travel and investment in the Middle East, companies have still expressed a high level of interest in taking advantage of the opportunities and incentives in the Qatari market.



SURVEY RESULTS

Demographics of Survey Respondents

A diverse range of companies provided input for this report. 80% of these companies are U.S.-owned or have U.S. partners. Respondents reflect the diversity of the Qatari economy and are from a wide range of sectors including:

- Hospitality/leisure
- ICT/communications
- Insurance/legal
- Infrastructure/housing
- Defense/security
- Energy/utilities
- Financial services
- Healthcare
- Agribusiness/food

The views of small and medium-sized enterprises are well represented within this report in addition to companies with larger workforces. 35% of the respondents work in companies with fewer than fifty employees, while 45% are from firms that employ between 51 and 250 and 15% have more than 500 staff.

The companies surveyed also employ differing amounts of expatriates. 45% have fewer than 50 expatriates in their workforces, while 40% employ between 50 and 250 expatriates and only 10% have more than 500 on their payrolls.

An analysis of the revenues earned by the respondents' companies in 2018 show a strong mixture of revenue size. 30% of respondents make less than \$10 million, and a further 35% have between US\$10-500 million in revenue. Only 9% of firms surveyed have revenues greater than US\$1 billion.



Finally, a majority of those surveyed (60%) do not use Qatar as a hub for exports to other locations. Those that do use their operations in Qatar to export elsewhere do so mostly to other countries in the Middle East, while one company in the survey uses Qatar as an export hub to Europe and Asia.

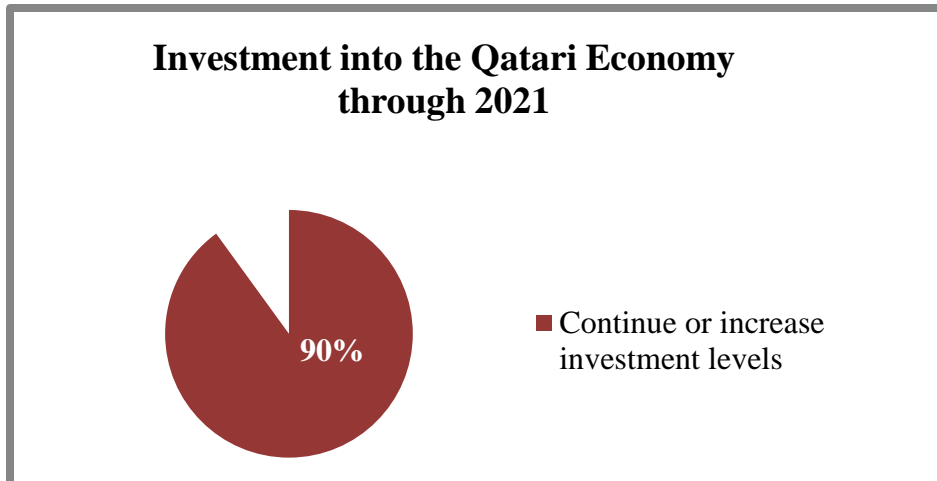
Importance of the Qatari market

65% of respondents find the Qatari market to be “important” or “very important” for their global market revenues between 2017 to the present. Only 26% view Qatar’s importance as remaining the same or lessening in importance during that same period, demonstrating that companies largely consider Qatar to be a growing market with many new opportunities despite the geopolitical challenges faced by Qatar since the Gulf blockade.

Profitability in 2019 compared to 2018 is positive as well, with 35% of respondents seeing a marginal or significant increase in revenues and 40% of companies’ profitability remaining the same.

Of those who view the Qatari market as growing in importance, a full 60% cited economic growth in Qatar as the main reason. Other reasons for confidence in the market include an improved regulatory environment, reforms in healthcare and education, upgrades in transportation and infrastructure, a new focus on digitalization and cybersecurity, and the growth of new opportunities around the 2022 World Cup.

The optimism around the Qatari market is highlighted in companies’ beliefs about the growing importance of Qatar through 2021. 48% expect the Qatari market will become more important for their global revenues, up from 40% in the first edition of this report. A further 40% believe that the market’s importance will remain the same, which shows that most companies are confident in the stability and potential of Qatar in an otherwise volatile regional and global economy.



Nearly 50% of those surveyed have increased their investments in Qatar since 2017, while only one company stated its investments have decreased. Looking to the future, nearly 90% expect their investments in Qatar to increase or remain the same through 2021, which again demonstrates strong confidence in the future of Qatar’s market.

The number one reason companies gave for the growth of their business in Qatar is an increase in growth opportunities within the market. Many companies also cited diversification of the customer base, government stability, improvements in laws to encourage foreign investment, and a better regulatory environment.

Key finding: American companies are finding enormous success in Qatar and will continue to seek growth and business opportunities there.

Expansion in Qatar

Overall, a full 90% of firms surveyed have active plans to maintain or expand their operations in Qatar. Growth opportunities and diversification of the customer base were selected by up to 75% of

90% of firms surveyed have active plans to maintain or expand their operations or presence in Qatar



respondents as the leading drivers of this expansion. Many companies also cited the availability of trained personnel as a benefit of expanding in Qatar and 80% of survey respondents expect to maintain or increase their workforce in Qatar.

Only one company indicated that it might scale back its investment in Qatar, citing a potential increase in investment costs.

Key finding: American companies have a strong footprint in Qatar and many are overwhelmingly looking to maintain and expand operations and their workforce.

Opportunities for Growth

A wide variety of sectors were cited as having large growth potential in Qatar, indicating that the overall economic opportunities in Qatar are significant. In the survey, these sectors were viewed as especially promising:

- Oil and gas
- ICT
- Finance
- Healthcare
- Infrastructure
- Agriculture
- Tourism
- Logistics

Several companies cited the FIFA World Cup 2022 as a key reason for growing operations in Qatar. This is primarily through construction and maintenance of stadiums and other associated infrastructure projects, training and education, marketing, security and risk mitigation, public health, and development of cybersecurity capabilities.

Additionally, new entities such as the Qatar Free Zones are key factors causing companies to consider increasing their investments in Qatar or moving their operations there.



Key finding: There are significant economic growth opportunities in all sectors of the Qatari economy.

Perception of U.S. Companies in Qatar

Based on the experiences respondents have had in Qatar, more than two-thirds believe that U.S. companies are viewed more favorably than local companies and more favorably than non-Western non-local companies. When compared to other Western companies in Qatar, this number falls slightly to 55%, but this still demonstrates the positive perception U.S. companies face in Qatar.

Key finding: U.S. companies are viewed positively in Qatar and can take advantage of this positive perception to expand their partnerships on the ground in the country.

Government-to-business consultation

Consultation between the Government of Qatar and the private sector is one area where the survey results show room for improvement, although it has improved since the first edition of this report. Of those surveyed, only 45% feel that the private sector is consulted sometimes or often by the Qatari government regarding new laws and regulations. Such consultation is an important opportunity for increased collaboration and dialogue between the Qatari government and U.S. companies, and the American private sector views improvement in consultation as one way to further enhance their investment in the Qatari market.

Key finding: Decisionmakers in the Qatari government should endeavor to develop a way to systematically seek input from foreign companies and investors on draft laws and regulations that affect the private sector.

Qatarization

Over 60% of companies surveyed have not been affected by any of Qatar's efforts to increase the number of Qatari citizens working in the private sector. Furthermore, only 10% of companies say it is difficult to comply with Qatarization quotas.



Key finding: Qatarization is not interfering or hampering the operations of most American companies.

Quality of life

90% of respondents believe their expatriate employees are satisfied or somewhat satisfied with their assignments in Qatar and the overall quality of life in Qatar.

Key finding: Quality of life in Qatar is high and an important contributor to corporate expansion in the country.

Barriers to Investment

Although the survey largely shows that the benefits of the Qatari economy far outweigh any impediments to investment, companies surveyed cited a few hurdles to investing in Qatar. These are areas of opportunity that Qatar can consider focusing on to improve its business environment.

Key barriers include:

- Incorporation restrictions
- Intellectual property concerns
- Lack of transparency
- Lack of a skilled workforce
- Difficulty with procurement procedures, especially for small and medium-sized enterprises

Lack of access to financing, the regulatory environment in some sectors, and local content desires are also factors, although do not play as large a role.

COMPANY PROFILE: EXXONMOBIL



(Left) His Highness The Emir, Sheikh Tamim bin Hamad Al Thani and Mr. Darren W. Woods, Chairman and CEO, Exxon Mobil Corporation; (Right) Dominic Genetti, President and General Manager-ExxonMobil Qatar

ExxonMobil, one of the largest publicly traded international energy companies, uses technology and innovation to help meet the world's growing energy needs. ExxonMobil holds an industry-leading inventory of resources, is one of the largest refiners and marketers of petroleum products, and its chemical company is one of the largest in the world.

We apply science and innovation to find better, safer and cleaner ways to deliver the energy the world needs. An industry leader in almost every aspect of the energy and petrochemical business, ExxonMobil operates facilities or markets products in most of the world's countries and explores for oil and natural gas on six continents.

In Qatar, ExxonMobil has partnered with Qatar Petroleum (QP) to develop the North Field, the world's largest non-associated natural gas field. Through the Qatargas-operated joint ventures, we have participated in 12 of the 14 LNG trains, 27 of the world's largest LNG ships and Qatar's largest condensate refinery. Further down the LNG value chain, ExxonMobil has partnered with QP in three LNG receiving terminals in Europe and the United States.

Additionally, ExxonMobil is the only foreign participant in two domestic gas projects – Al Khaleej Gas and Barzan Gas. ExxonMobil also provides technical and management expertise to directly support QP through technical services and secondments of ExxonMobil employees.

ExxonMobil affiliates are working with Qatar Petroleum (QP) to identify International joint venture opportunities that further enhance the portfolio of both parties in countries such as Brazil, Argentina, the United States and Cyprus.

ExxonMobil Research Qatar (EMRQ) opened at Qatar Science and Technology Park in 2009 to conduct research in areas of common interest to the State of Qatar and ExxonMobil. Scientists and researchers at EMRQ continue to advance projects in environmental management, water reuse, LNG safety and coastal geology. By using global knowledge to develop local resources, EMRQ is able to create an invaluable link between the local and international research communities.

ExxonMobil is proud to contribute to the Qatar National Vision 2030 –the country's roadmap to continued advancement for the next 10 years—by driving human development, contributing to its thriving society, and supporting responsible and sustainable development.

ExxonMobil supports a range of sustainable education and training initiatives for students and professionals to ensure that there is a stream of skilled individuals who can tackle the challenges of tomorrow – all in pursuit of developing Qatar's knowledge-based economy.

For more information, visit exxonmobil.com.qa, Instagram and Twitter accounts @exxonmobil_qa

ExxonMobil



SUMMARY: DOING BUSINESS IN QATAR

A large majority of companies responding to the survey have found doing business in Qatar to be easy and efficient, and thus have been able to focus on setting up and expanding operations there instead of complying with business regulations. When doing business in Qatar, three quarters of respondents have not found it difficult to set up a company in the country. There are also multiple opportunities for U.S. companies in a large number of sectors to enter the Qatari market as it expands its LNG capacity and builds infrastructure for the World Cup.

85% of companies would encourage other U.S. companies to invest in Qatar

Respondents have a largely positive view of Qatar’s efforts to attract new investment, and a full 85% of respondents would encourage other U.S. companies to invest in Qatar. Overall this presents an extremely positive outlook for Qatar’s economy.

As Qatar develops policies impacting commercial, investment and trade activities, working in a collaborative and transparent manner with the business community will minimize uncertainty and provide businesses and investors greater confidence. This is particularly critical as we look to collectively work together to restore economic activity and prepare for a post-COVID-19 economy.

Overall U.S. companies are eager to work in the Qatari market. Qatar is ‘open for business’ and should be commended for adopting a reform-focused agenda with an eye to offering the private sector more investment opportunities.



APPENDIX: ADDITIONAL KEY TOPICS

Beyond the broad themes captured through the survey, a few American companies provided more detailed comments on a few specific issue areas. These are included below as additional avenues for sustaining investment in Qatar and expanding the U.S.-Qatar economic relationship.

Cross-Border Data Provisions and Cloud Policy

Global companies increasingly rely on modern communication networks and data flows to deliver services to customers, run internal operations, optimize manufacturing technologies, and manage global supply chains. The ability of companies to securely move data across borders is critical to Qatar's economic growth and Qatar's ambition to become a technology center for the region. The Government of Qatar should adopt policies that encourage legitimate cross-border data flows to support the growth of critical sectors, including healthcare, banking and financial services, ICT, and insurance. This should include prohibitions against data and server localization requirements or other restrictions on data flows critical to Qatar's economy.

Power Generation and Renewable Energy

Qatar's energy needs continue to grow, driven by industrial and residential requirements. The people of Qatar should not have to choose between sustainability concerns and adding more power capacity to the national grid to secure their energy future. Upgrade solutions exist that can help Qatar to enhance the output of existing power generation assets by up to 10%, increase the duration between planned maintenance works, and reduce operational costs and environmental impact. For example, advanced gas turbine technologies can be installed at upcoming power plants that are up to 20% more fuel efficient than plants in operation across the country today. Furthermore, flexible turbines are available that can run on multiple fuels, including blends of hydrogen, and that can ramp power output up or down quickly to stabilize the grid. This is critical as Qatar looks to bring renewable sources of power online, which are typically intermittent in nature.



The right incentives are important so operators and developers of power plants do not choose lower costs and expediency at the expense of substantial economic and environmental benefits over the lifetime of a power project. It is also important to note that while current global fuel prices are currently low, they will most likely rise again through the many years of a plant's operation.

Another important criteria to consider is the flexibility offered by specific technologies to use cleaner fuels and provide reliable, uninterrupted power, as supplies of alternative energy such as solar or wind power can vary over the course of a day and different seasons. Giving primary importance to efficiency and flexibility can help Qatar meet its Economic and Environmental goals under National Vision 2030 by saving more fuel for exports over the long term, supporting the addition of alternative energy sources to the grid, and reducing greenhouse gas emissions per megawatt of power generated.

Trade Facilitation

The United States and Qatar should continue to cooperate to fully implement the commitments made in the WTO Agreement on Trade Facilitation. The Trade Facilitation Agreement contains provisions for expediting the movement, release, and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues.

Small and medium-sized enterprises, in particular, cannot afford the high costs of compliance with customs and border procedures and other non-tariff measures. Full implementation will help Qatari businesses become more competitive as suppliers better integrate into regional and global value chains and benefit from enhanced economic growth.

Regulatory Framework for Insurers

The insurance sector is a strong contributor to economic growth and stability in any economy. The life insurance sector, in particular, plays an important role by efficiently intermediating household savings into long-term



investment, developing local capital markets and providing financial security to millions of people.

We believe that the framework for insurers from the Qatar Central Bank delivers high standards of policyholder protection. In addition to ensuring clients are well protected, we would suggest the government of Qatar also consider how the new insurance framework can help the industry develop. By allowing distribution deals that contain financial incentives and sales targets with appropriate protections, rather than restricting such incentives altogether, it will help grow the insurance market and allow insurers to increase local investments and hire more local staff. The keys to accomplishing this will be partnership, consultation, and collaboration between the government and the insurance companies in the market.



ABOUT U.S. CHAMBER OF COMMERCE

The U.S. Chamber of Commerce is the world's largest business organization representing the interests of more than 3 million businesses of all sizes, sectors, and regions. Our members range from mom-and-pop shops and local chambers to leading industry associations and large corporations. They all share one thing--they count on the Chamber to be their voice in Washington, D.C. and capitals around the globe. We advocate for pro-business policies that create jobs and grow our economy. The fundamental activity of the U.S. Chamber of Commerce is to develop and implement policy on major issues affecting business. Key issues range from smart tax policy and regulatory relief to legal reform and trade promotion.

The U.S. Chamber's International Division leads the business community's efforts to shape global policy by advocating for free enterprise, competitive markets and rules-based trade and investment as the path to opportunity and prosperity for all. The U.S. Chamber's Middle East Department focuses on strengthening and expanding the economic relationship between the United States and the countries across the Middle East region, including the State of Qatar.

For more information, please visit: <http://www.uschamber.com/>



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