

Opportunities in Qatar

A report into the seminar organized by the Chamber under the auspices of the Arab-British Export Club and held at ABCC premises on 24 January.

In comparison with its counterparts in the Gulf, Dubai, Bahrain and Kuwait, for example, Qatar remains something of an unknown quantity as far as its potential for investors is concerned, a point made in his opening remarks by Sir Roger Tomkys, who chaired the event.

Despite this, Qatar's ambitions to develop and increase its exports over the next few years are considerable and should not be ignored by the UK business community. The UK is one of Qatar's major trading partners enjoying healthy bilateral relations dating back to the 19th century. In 2005 UK exports of goods reached £362.6 million, up from £335.6 million in 2004, according to latest complete figures available from the UK's Department of Trade. Qatar's population although small is one of the world's wealthiest.

The main export opportunities in Qatar in the areas of oil and natural gas were highlighted to an audience of UK investors and SMEs at the seminar; including the \$3.5-billion Dolphin project, the first cross-border gas pipeline in the Gulf Arab region due to begin supplying the UAE with gas this year. It will also begin supplying neighbouring Oman in 2008.

Future infrastructure and development projects in the country over the next few years are also likely to be substantial and in addition to new oil and gas facilities, will include ports, airport, several new roads, hotels, museums and residential projects.

Other issues covered at the seminar included a briefing on current regulations that exporters should be aware of when shipping goods to the Gulf; and new developments in the validation of halal meat, poultry and foodstuffs to the region.

Kathy Baker, senior manager from UKTI, began with a briefing of key need-to-know issues about Qatar: she said, GDP was \$37.9 billion and growth was at 7.5%. Qatar was on the verge of extraordinary growth and presently creating a world-class business environment. She went on to describe UK-Qatar trade as healthy if small, then highlighted some of the most important sector activities that UK firms seeking new business should be looking at: apart from the aforementioned oil and gas, these were construction, financial services, education and healthcare.

In addition, major projects in Qatar at present included the ongoing causeway with Bahrain, the expansion of Doha international airport, where much sub-contract work was coming on stream and the West Bay real estate project.

Urging an awareness of local protocol and culture, the UKTI official stressed the importance of researching the market thoroughly and as a standard rule, finding a good local agent was a crucial factor for successful penetration of the market.

Mostafa Nasri, GIS Operations Global Quality Manager, then spoke of the regulations for shipping products to the Gulf and what was needed to be done in order to deliver in today's global market. Accurate inspection of goods and consistency in regulations provided an added protection for the public against poor quality and potentially hazardous goods. He stressed that the benefits of conforming to standards included enhancing the quality of a product and could be seen by both the exporter and the customer.

His company SGS or Societe Generale de Surveillance, established in 1878, was experienced in inspecting, testing and certification of products and works with government bodies to improve standards in certification. It operates around the world and has thousands of employees.

He announced a new service for exporters which is being jointly launched with the Chamber. The SGS-A-BCC conformity assessment, the Inspection-Verification-Certification Programme, would help minimize the risk of rejection that goods frequently encounter.

Further details of the new SGS-A-BCC services can be found on page 6 of this bulletin. David Reynolds from leading law firm Clyde & Co then spoke about setting up a company in Qatar. He had worked on the Ras Gas project and said that his firm would be soon opening up a branch in the Qatar Finance Centre, which provided a much needed open door by removing many obstacles to setting up business.

It was possible to operate in the country without setting up via an agency and distribution agreements, but any company doing this still needs serious legal advice. He addressed the pros and cons of setting up in a free zone, where often certain restrictions applied as to what a company based in such a zone could do.

Dinesh Unadkat, of JD Consultants, followed with a briefing on the importance of complying with Customs regulations and what services are available to assist companies in getting it right first time, rather than needed to go through lengthy legal wrangles.

Finally, Masood Khawaja, President, Halal Food Authority (HFA), provided a briefing on new developments in the validation of meat, poultry and foodstuffs. He spoke of the growing market for halal foods both in the UK and overseas, and stressed that the popularity of halal foods extended well beyond the Muslim population. Mr Khawaja pointed out that halal represented food that was wholesome, pure and good for human consumption. Verification of a product as halal thus indicates to a consumer that it is hygienic and safe to eat. He informed the audience of a new venture which involved the HFA working closely with the A-BCC to assist with the exporting of halal-endorsed Welsh lamb produce to the UAE market.

The event provided opportunity to find out how UK firms could develop new business opportunities in the growing Qatar market. It provided much of the necessary information that a company needs to take the first exporting steps into the thriving Gulf market.

The talks were followed by a question and answer session. This particular session of the Arab-Export Club was sponsored by SGS.

Future export clubs will be announced soon.