QATAR

TRADE SUMMARY

U.S. goods exports in 2013 were $5.0 billion, up 38.6 percent from the previous year. Corresponding U.S. imports from Qatar were $1.4 billion, up 33.0 percent. The U.S. goods trade surplus with Qatar was $3.6 billion in 2013, an increase of $1.0 billion 2012. Qatar is currently the 45th largest export market for U.S. goods.

The stock of U.S. foreign direct investment (FDI) in Qatar was $10.6 billion in 2012 (latest data available), up from $7.9 billion in 2011.

IMPORT POLICIES

Tariffs

As a member of the Gulf Cooperation Council (GCC), Qatar applies the GCC common external tariff of 5 percent with a limited number of GCC-approved country-specific exceptions. Qatar’s exceptions include alcohol (100 percent) and tobacco (150 percent), as well as wheat, flour, rice, feed grains, and powdered milk. In addition, Qatar applies a 20 percent tariff on the import of iron bars and rods, steel and cement, a 30 percent tariff on urea and ammonia, and a 15 percent tariff on imports of musical records and instruments.

Import Licensing

Qatar requires that importers have a license for most products and only issues import licenses to Qatari nationals. The government has on occasion established special import procedures via government-owned companies to help ease demand pressure.

Only authorized local agents are allowed to import goods produced by the foreign firms they represent in the local market. However, this requirement may be waived if the local agent fails to provide the necessary spare parts and customer services for the product.

Imports of pork and pork products were prohibited until 2012, when the Qatar Distribution Company (QDC), a subsidiary of the national air carrier Qatar Airways, was granted sole authority to import these products. QDC is also the sole authority authorized to import alcohol.

Documentation Requirements

To clear goods from customs zones in Qatar, importers must submit documents including a bill of lading, certificate of origin, invoice, and, where applicable, import license. Imported beef and poultry products also require a health certificate and a halal slaughter certificate issued by an approved Islamic authority. Commercial consignments may be imported without a certificate of origin, provided the certificate of origin is submitted within 90 days of entry. The Qatari Embassy, Consulate, or Chamber of Commerce in the United States must authenticate the import documents for imports from the United States.

Effective July 2013, Qatar Customs began to enforce a regulation that was initially issued in 2011 requiring that all importations include invoices, certificate of origin, and packing lists. Shipments without proper documentation may be rejected and returned to the country of export.

GOVERNMENT PROCUREMENT

Qatar provides a 10 percent price preference for goods with Qatari content and a 5 percent price preference for goods containing other GCC content. Tenders with a value less than QR 1,000,000 ($275,000) are limited to local contractors, suppliers and merchants registered with the Qatar Chamber of Commerce.

In October 2013, the government implemented a set-aside that requires foreign companies participating in “mega” infrastructure projects to procure 30 percent of goods and services locally. However, detailed regulations have yet to be announced.

In November 2013, the Qatari Ministry of Finance issued a circular requiring that all ministries and government agencies, public corporations and other institutions that receive government support give a preference to local Qatari products when procuring goods to meet day-to-day operational requirements.

Qatar is not a signatory to the WTO Agreement on Government Procurement.

INTELLECTUAL PROPERTY RIGHTS PROTECTION

As the six member states of the GCC explore further harmonization of their intellectual property rights regimes, the United States will continue to engage with GCC institutions and its member states to provide technical cooperation on intellectual property policy and practice.

SERVICES

Agent and Distributor Rules

Only Qatari entities are allowed to serve as local agents or sponsors. However, exceptions are granted for 100 percent foreign-owned firms in the agricultural, industrial, tourism, education, and health sectors. Additionally, some Qatari ministries waive the local agent requirement for foreign companies that have contracts directly with the Qatari government.

Banking

Although foreign banks are permitted to open branches and are authorized to conduct all types of business in the Qatar Financial Center (QFC), including provision of Islamic banking services, foreign banks are informally “advised” not to offer services related to retail banking business. Laws and regulations applied to foreign banks registered in the QFC are different from the ones adopted by Qatar Central Bank and more closely resemble international standards.

INVESTMENT BARRIERS

The Organization of Foreign Capital Investment Law allows foreign investors to own up to 100 percent of projects in the agricultural, industrial, health, education, tourism, development and exploitation of natural resources, energy, and mining sectors with prior government approval. In all other sectors, foreign equity is limited to 49 percent. Qatar amended this law in 2004 to allow 100 percent foreign investment in the insurance and banking sectors if the investment is approved by a decree from the Cabinet of Ministers.

For companies listed on Doha Securities Market, foreign investors’ total share cannot exceed 25 percent. In October 2009, Qatar amended this law to permit 100 percent foreign ownership in consulting services, the information and technology sector, cultural services, sports services, entertainment services, and distribution services. Although a decree has been issued, detailed regulations to implement the amendments have yet to be finalized.

The investment law permits foreign investors to lease land for up to 99 years, although renewal requires government approval. Foreign ownership of residential property is limited to select real estate projects. Foreigners can be issued residency permits without a local sponsor if they own residential or business property but only if the property is in a designated “investment area.”