QATAR

TRADE SUMMARY

U.S. goods exports in 2014 were $5.2 billion, up 4.3 percent from the previous year. Qatar is currently the 45th largest export market for U.S. goods. Corresponding U.S. imports from Qatar were $1.7 billion, up 27.4 percent. The U.S. goods trade surplus with Qatar was $3.5 billion in 2014, a decrease of $140 million from 2013.

TECHNICAL BARRIERS TO TRADE / SANITARY AND PHYTOSANITARY BARRIERS

Technical Barriers to Trade

In December 2013, the six Member States of the Gulf Cooperation Council (GCC), working through the Gulf Standards Organization, issued regulations on the GCC Regional Conformity Assessment Scheme and GCC "G" Mark in an effort to "unify conformity marking and facilitate the control process of the common market for the GCC Members, and to clarify requirements of manufacturers." U.S. and GCC officials are discussing concerns about consistency of interpretation and implementation of these regulations across all six GCC Member States, as well as the relationship between national conformity assessment requirements and the GCC regulations, with a view to avoiding unnecessary duplication.

Sanitary and Phytosanitary Barriers

In October 2014, the Public Health Department of Qatar's Supreme Council of Health announced that it would accept halal slaughtering certificates for imports of U.S. meat and poultry products only from U.S. halal certifiers that have also been approved by the United Arab Emirates.

GCC Member States have notified the WTO Committee on Sanitary and Phytosanitary (SPS) Measures of their intention to implement a new "GCC Guide for Control on Imported Foods" by June 2015. As currently drafted, stakeholders have raised concerns that the requirements outlined in the Guide will impede trade beyond the extent necessary to protect human or animal health. The requirements also will impose burdensome and disproportionate demands regarding requirements for certification or forms of recognition or acceptance of foreign food safety systems. The Guide as currently drafted does not provide scientific justification for requiring exporting government officials to certify and attest to statements that are inconsistent with guidelines established by the Codex Alimentarius and the World Organization for Animal Health. The United States has raised specific concerns about the Guide and has requested that GCC Member States delay entry into force of the Guide until food safety experts have an opportunity to discuss these concerns.

IMPORT POLICIES

Tariffs

As a member of the 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 a license for the importation of most products, and only issues import licenses to Qatari nationals. The government has on occasion established special import procedures through government-owned companies to address increases in demand.

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.

The Qatar Distribution Company, a subsidiary of the national air carrier Qatar Airways, has sole authority to import pork and pork products and alcohol.

Documentation Requirements

The Qatari Embassy, Consulate, or Chamber of Commerce in the United States must authenticate import documentation for imports from the United States. Imported beef and poultry products require a health certificate and a halal slaughter certificate issued by an approved Islamic authority.

GOVERNMENT PROCUREMENT

Qatar provides a 10 percent price preference for goods with Qatari content and a 5 percent price preference for goods containing 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 all ministries and government agencies, public corporations, and other institutions that receive government support to give a preference to 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

Qatar was not listed in the 2014 Special 301 Report. To improve regulation of intellectual property rights (IPR) and encourage foreign direct investment to Qatar, the Office of Intellectual Property Rights was transferred to the Ministry of Economy and Commerce from the Ministry of Justice.

In 2014, Saudi Arabia, Bahrain and Qatar approved the GCC Trademark Law. Kuwait, Oman and the United Arab Emirates are expected to approve the law in 2015, after which implementing regulations will be issued. As the six GCC Member States explore further harmonization of their IPR regimes, the United States will continue to engage with GCC institutions and the Member States and to provide technical cooperation on IPR 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 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 (Law 13 of 2000, as amended) governs foreign investment in Qatar. It requires that 51 percent of the share capital in any local venture be held by a Qatari national. Exceptions to these rules may be granted for foreign companies to own up to 100 percent of projects in the agricultural, industrial, health, education, tourism, development and exploitation of natural resources, distribution services, technical and information consultancy, cultural, sports and entertainment services, and energy and mining sectors. Foreign investment is generally not permitted in banking and insurance, or in commercial agency or real estate activities.

In August 2014, Qatar issued Law No. 9 of 2014, amending provisions of the Organization of Foreign Capital Investment Law regarding investment of non-Qatari capital in the Qatar Exchange, allowing foreign investors to own up to 49 percent of the shares of Qatari shareholding companies listed on the exchange, an increase from the previous 25 percent threshold.

Foreign ownership of residential property is limited to select real estate projects. Foreigners can receive residency permits without a local sponsor if they own residential or business property, but only if the property is in a designated "investment area."