

# QATAR

## TRADE SUMMARY

The U.S. goods trade surplus with Qatar was \$2.7 billion in 2010, an increase of \$492 million from 2009. U.S. goods exports in 2010 were \$3.2 billion, up 16.6 percent from the previous year. Corresponding U.S. imports from Qatar were \$464 million, down 8.2 percent. Qatar is currently the 47th largest export market for U.S. goods.

The stock of U.S. foreign direct investment (FDI) in Qatar was \$7.8 billion in 2007 (latest data available).

## IMPORT POLICIES

### Tariffs

As a member of the Gulf Cooperation Council (GCC), Qatar applies the GCC common external tariff of five percent for most products, with a limited number of GCC-approved country-specific exceptions. Qatar's exceptions include basic food products such as wheat, flour, rice, feed grains, and powdered milk. The tariff on alcoholic beverages and tobacco products is 100 percent. According to the WTO, Qatar's simple average applied tariff is 8.0 percent for agricultural goods and 4.6 percent for non-agricultural goods.

Qatar is not a signatory to the WTO Information Technology Agreement.

### Import Licensing

Qatar requires importers to have an import license for most products, and only issues import licenses to Qatari nationals. 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 backup services for the product. Pork and pork derivatives may not be imported.

The government has on occasion established special import procedures via government-owned companies to help ease demand pressures. For example, in 2006, the government established the Qatar Raw Materials Company to import construction materials and sell them to companies in Qatar at a marginal markup (to cover its operating expenses).

### Documentation Requirements

To clear goods from customs zones at ports or land borders in Qatar, importers must submit a variety of documents, including a bill of lading, a certificate of origin, an invoice, and where applicable, an import license. The Qatari embassy, consulate, or chamber of commerce in the United States must authenticate all shipping documents, including the certificate of origin. Commercial consignments lacking a certificate of origin may be allowed, provided the appropriate documentation is submitted within 90 days of entry. In addition, foreign ratification fees are collected by customs officials. All imported beef and poultry products require a health certificate from the United States and a *Halal* slaughter certificate issued by an approved Islamic center in the United States.

In 2008, the Ministry of Business and Trade established a "one-stop shop" to handle all services and relevant documentation for foreign investors and importers present in Qatar. This office assigns a case

manager to each businessperson seeking to reside in Qatar to review, sign, and process the required materials for health and labor regulations, residency permits, and other documents. Qatari customs authorities have prepared a list of importers and exporters who have good records of compliance with customs regulations and are giving them priority in consignment clearance procedures, as of December 2010.

## **GOVERNMENT PROCUREMENT**

Qatar gives preferential treatment to suppliers that use local content in bids for government procurement. When competing for government contracts, tenders for goods with Qatari content are discounted by 10 percent and goods from other GCC countries receive a five percent discount. As a rule, participation in tenders with a value of one million Qatari Riyal (\$275,000) or less is confined to local contractors, suppliers, and merchants registered by the Qatar Chamber of Commerce. The Central Tender Committee posts details on tenders at <http://www.ctc.gov.qa/tender-en.aspx>.

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

## **INTELLECTUAL PROPERTY RIGHTS (IPR) PROTECTION**

As part of the GCC Customs Union, the six Member States are preparing a draft common trademark law, as well as a draft common unfair competition law to protect companies from unfair commercial use of undisclosed information submitted for marketing approval of pharmaceutical products. The United States is engaged in a dialogue with GCC technical experts to help ensure that the trademark law and unfair competition law will facilitate Member States' implementation of international and bilateral obligations.

## **SERVICES BARRIERS**

### **Agent and Distributor Rules**

Only Qatari nationals are allowed to serve as local agents, distributors, or sponsors. However, there are exceptions granted for 100 percent foreign-owned firms in the agriculture, industry, tourism, education and health sectors, and some Qatari ministries waive the local agent requirement for foreign companies that have contracts directly with the government of Qatar. The Qatar Distribution Company has the exclusive right to import and distribute alcohol.

## **INVESTMENT BARRIERS**

Foreign equity participation in most sectors of the Qatari economy is limited to 49 percent. The Organization of Foreign Capital Investment Law does allow 100 percent foreign ownership for projects in the agriculture, tourism, education, industry, health, and energy sectors, although prior government approval is required. Full foreign ownership is permitted in the insurance and banking sectors, provided the investment is approved by a decree from the Cabinet of Ministers. In October 2009, the Council of Ministers agreed to amendments to the Investment Law that would allow 100 percent foreign ownership in consultative and technical work services, the information and technology sector, and distribution services. Although an Amiri Decree has been issued, detailed regulations have yet to be finalized.

Foreign ownership of residential property is limited to select real estate projects. The Investment Law permits foreign investors to lease land for up to 50 years, although renewal requires government approval. Foreigners wishing to obtain residency permits require a local sponsor, except for those who own residential or business property in Cabinet-designated "investment areas."