



Qatar stays stronger despite blockade, says Doha Bank CEO

Qatar's robust regulatory framework and effective supervision has helped ensure the resilience of the country's financial system, according to Doha Bank CEO Dr R Seetharaman.

Seetharaman, who underscored Qatar's sustainability initiatives during a workshop for the EU Business School students in Switzerland, also participated in the school's commencement ceremonies held in Geneva and in Munich, Germany.

Citing an IMF report, Seetharaman said, Qatar's banking system "needs no further support" from the central bank and sovereign wealth fund as the decline in non-resident liabilities of lenders have subsided.

According to Seetharaman, the International Monetary Fund said the Qatar Central Bank is further strengthening its financial sector surveillance to detect "in a timely fashion" emerging pressures, including those related to liquidity, real estate sector, the impact of US monetary policy normalisation, and the ongoing Gulf crisis.

He said in the recent IMF Outlook, Qatar's GDP is set to grow 2.6% this year.

Qatar will raise LNG production by 30% to 100mn tonnes a year within five to seven years after lifting a moratorium on gas development earlier in 2017.

Qatar is ranked 25th in the Global Competitiveness Report 2017-2018, he noted.

Qatar's lending growth is close to 3% in Q1 2018, while the country's foreign exchange reserves with the QCB remained broadly stable at around \$39.8bn in April 2018, which is more than six months of its import cover, he said.

Seetharaman also highlighted that Qatar's reserves are more than twice its GDP, and in terms of financial stability, Qatar is "strong, stable, and functional."

Amid the economic blockade, Seetharaman said, Qatar has emerged strong and has brought various reforms to transform itself into a self-reliant economy.

"A new law for Public Private Partnership busi-

nesses in Qatar will provide comfort to the private sector and foreign investors.

In February 2017, Qatar issued a new law on arbitration - inspired by the UNCITRAL Model Law, an international template for law on arbitration.

"In terms of food security, Qatar now has many local companies that are supporting the country, and it can develop these businesses further and boost its food production to provide both locally and internationally," Seetharaman said.

Last year, Qatar waived entry visa requirements for citizens from 80 countries and during the same period, the country inaugurated the Hamad Port, which will provide "a golden opportunity" for the private sector and Qatari businessmen to activate their business and promote the import and export of various commodities, Seetharaman said.

"The Qatari market is expected to become self-sufficient in dairy products. Qatar has witnessed initiatives such as Single Window System and the 'Own your Factory in Qatar,'" he said.

Seetharaman said Qatar's landmark residency plan "is a welcome social and economic reform," adding that Qatar's 2018 budget allocations for health, education, and transportation reached QR83.5bn or 41% of total expenditure.

"The transportation and other infrastructure projects were assigned the largest share in the 2018 budget with allocations of QR42.0bn, 21% of the total expenditure.

The sports sector and 2022 FIFA World Cup projects amounted to a total allocation of QR11.2bn.

Qatar raised \$12bn in a bond issue in April 2018, the largest placement by an emerging market sovereign this year.

"It is one year since the economic blockade of Qatar. However, Qatar has demonstrated its sustainability through various reforms. Recently rating agencies Fitch recognised Qatari sovereign's outlook to 'stable' from 'negative,' an affirmation of the country's long-term IDR at 'AA-' and reflects Fitch's view that Qatar has successfully managed the fallout from the blockade," Seetharaman said.



Dr Seetharaman addressing a workshop for EU Business School students in Switzerland.