

STRONG COMEBACK

Reforms helped Qatar beat siege: Seetharaman

The country has witnessed initiatives such as 'Single Window System' and 'Own your Factory in Qatar'

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QATAR has demonstrated its sustainability through various reforms one year after the illegal blockade, Doha Bank CEO R Seetharaman has said.

He was speaking at a workshop organised by the EU Business School for its students in Geneva, Switzerland recently.

During the workshop, Seetharaman highlighted on various reforms brought by Qatar after the blockade.

He said, "Qatar's reserves are more than twice of its GDP and in terms of financial stability Qatar is strong, stable and functional. In response to the economic blockade, Qatar has emerged strong and has brought various reforms to transform itself into a self-reliant economy."

He said a new law for Public Private Partnership (PPP) businesses in Qatar will provide comfort to the private sector and foreign investors.

In Feb 2017, Qatar issued a new law on arbitration (the "Arbitration Law"), inspired by the UNCITRAL Model Law (the "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, Seetharman noted.

He continued, "The country can develop these businesses further and boost its food production to provide both locally and internationally."

In 2017, Qatar waived entry visa requirements for citizens of 80 countries, he said.

"In Sept 2017, the country inaugurated Hamad Port, which provides "a golden opportunity" for the private sector and Qatari businessmen to boost their business and promote the import and export of various commodities.

"Qatar market is expected to become self-sufficient in dairy products, as Bandana will fulfil demands of the local market," Seetharaman added.

Qatar has witnessed initiatives such as "Single Window System" and "Own your Factory in Qatar".

Qatar's landmark residency plan is a welcoming social and economic reform, he

pointed out.

Seetharaman also gave insight on Qatar's economy and banking system. He said that according to the recent IMF outlook, Qatar's gross



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R Seetharaman, Doha Bank CEO said citing IMF report

domestic product (GDP) is set to grow 2.6 percent this year.

He said the country will raise LNG production by 30 percent to 100 mtpa within five to seven years after lifting a moratorium on gas development earlier in 2017.

"Qatar is ranked 25th in the 'Global Competitiveness Report 2017-18', and according to the IMF report, 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," he said.

"A robust regulatory framework and effective supervision have helped ensure the resilience of the financial system."

"According to the IMF, the Qatar Central Bank (QCB) is further strengthening its financial sector surveillance to detect in a timely manner emerging pressures, including those related to liquidity, real estate sector, the impact of US monetary policy normalisation and the on-going Gulf crisis."

Qatar's lending growth was close to 3 percent in first quarter of 2018. The country's foreign exchange reserves with the QCB remained broadly stable at around \$39.8 billion in April 2018, which is more than six months of its import cover.

Qatar has allocated QR83.5 billion or 41 percent of total expenditure for health, education and transportation in its 2018 budget. The transportation and other infrastructure projects were



Doha Bank CEO R Seetharaman speaks at a workshop organised by the EU Business School in Geneva, Switzerland recently.

assigned the largest share in the 2018 budget with allocations touching QR42 billion, or 21 percent of the total expenditure.

Seetharaman further said sports sector and 2022 FIFA World Cup projects amount-

ed to a total allocation of QR11.2 billion.

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

Recently rating agency

Fitch recognised Qatari sovereign's outlook to stable from negative and affirmed the country's long-term IDR at 'AA-', and said that Qatar has successfully managed to bounce back from the blockade.