



Doha Bank Group CEO R Seetharaman addresses a knowledge-sharing session in Doha on Sunday.

'Regulatory framework makes Qatar's banking system robust'

Qatar's banking system needs no support from the central bank and sovereign wealth fund: Doha Bank CEO

SATYENDRA PATHAK
DOHA

ROBUST regulatory framework and effective supervision have helped ensure the resilience of the financial system in Qatar, Doha Bank Group CEO R Seetharaman said on Sunday.

Speaking at knowledge-sharing session, 'Changing Global Economics and Their Impact on Growth Momentum' organised by Doha Bank, Seetharaman said that 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 after the economic blockade has subsided.

Seetharaman said that Qatar has turned the blockade on the nation by some of the neighbouring countries into an opportunity to achieve self-reliance in most of the economic sectors.

Despite the blockade, he said, Qatar's economy is growing at a decent pace. Quoting the International Monetary Fund (IMF), he said, "Qatar is expected to grow by 2.7 percent in 2018 and 2.8 percent in 2019. The growth is revised marginally upwards from IMF's forecast in April this year of 2.6 percent in 2018 and 2.7 percent in 2018."

The Qatar Central Bank (QCB) 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 on-going Gulf crisis, he quoted IMF as saying.

Qatar is set to increase liquefied natural gas production capacity by about 30 percent from 77 MTPA to 110 MTPA, he said, adding the increase in output will ensure sustained economic growth of the country.

Speaking about the global economic growth and challenges, he said, "Global growth for 2018 and 2019 is



Former Indian foreign secretary Ranjan Mathai addresses a knowledge-sharing session organised by Doha Bank on Sunday.

projected at 3.7 percent. In the United States, momentum is still strong as fiscal stimulus continues to increase, but the forecast for 2019 has been revised down due to recently announced trade measures, including the tariffs imposed on \$200 billion of US imports by China. Growth projections have been marked down for the eurozone and the United Kingdom following surprises that suppressed activity in early 2018."

Speaking on the occasion Dr Sayuri Shirai, professor at KEIO University in Japan, gave an overview of the Japanese economy.

A former member of the policy board of Bank of Japan, Shirai said, "The Japanese government's efforts at industrialisation in the 1950's resulted in Japan becoming a trade surplus country by 1960's. The country is now investing in setting up factories outside the country to cope with the ageing population."

"The Japanese economy currently is the third largest with size of \$5 trillion, per capita GDP of \$40,000 and largest international creditor. The total value of foreign assets is \$3 trillion or 64 percent



Dr Sayuri Shirai, professor at KEIO University in Japan, speaks at a knowledge-sharing session organised by Doha Bank on Sunday.

served as India's ambassador to Qatar, spoke on challenge to the globalist world order and an intensification of geopolitical competition. He also touched upon the impact of election of US President Donald Trump, Brexit, China's rejection of the world court ruling on South China Sea and Russia's intervention in Syria on the global economy.

He said that US under Trump has increased uncertainty in global politics and economics.

"It is now clear that 'America First' does not mean withdrawal or isolation, but a reshaping of global commitments, following cost benefit analyses of how specific relationships have helped the US economically and in retaining its predominant power. Trump's views are guided by the fact that the US is still the most powerful country and one of the most prosperous with continued growth. Trump has managed to get NAFTA amended, he has taken US out of TPP and is trying to reshape WTO," Mathai said.

For China, he said, now is the opportunity to step in to take a much larger role in

shoring up or shaping a new world order. Other countries in Asia like Japan and India are continuing engagement with China, while pursuing preparedness to defend their interests, he said.

"Russia under Putin is determined to play itself back into a globally relevant role. Trump is open to this, and wants to reach some understanding with Russia, perhaps create a triangular scenario to China's disadvantage, but faces resistance from within the US," he said.

South Asia, Latin America, and Africa in particular are future growth poles in the world if they can manage their politics, he said.

African mineral resources which are essential for the hi-tech and green economy of the future, he said, will be the target of a new global competition.

"The nationalist phase in foreign policies will produce winners and losers but will not minimise risk of a heavily armed world. It is important for foreign policies to strengthen multilateral institutions which moderate competition and conflict, and pursue a rule-based world order," he said.



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Doha Bank Group CEO R Seetharaman

of GDP which is the largest in the world," she said.

Highlighting the challenges facing the Japanese economy, she said, "The economy is shifting from being export-oriented to investment-driven. Ageing society, labour shortage, restraining labour productivity growth on account of shift from manufacturing to services are other challenges."

Ranjan Mathai, former foreign secretary of India, also addressed the high-profile gathering of diplomats, high net worth Qatari individuals and representatives of local corporate sector.

Mathai, who has also