

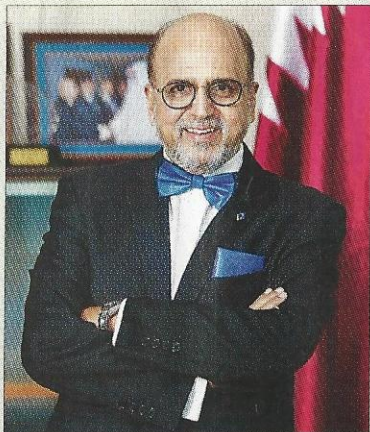
BANKING ON KNOWLEDGE

Shared values enhance bilateral opportunities between Qatar and Turkey

By **Dr R Seetharaman**

Qatar-Turkey bilateral trade was more than \$900mn in 2016, mainly on account of surge in imports from Qatar. After a fortnight since the beginning of the economic blockade, Turkish exports to Qatar tripled to \$32.5mn. Of this, \$12.5mn was foodstuff. Turkey is in discussion with Qatar on alternative routes to ensure that the Turkish supply remains sustainable.

The launch of the Qatari-Turkish Supreme Strategic Committee in 2014, and the convening of its first meeting in Doha in December 2015 under the chairmanship of His Highness the Emir Sheikh Tamim bin Hamad al-Thani and attended by Turkey's President Recep Tayyip Erdogan, has contributed to expanding the relations between the two countries at all levels through signing 22 agreements in all aspects of co-operation, including politics, security, finance, industry and energy,



banks, and education and universities.

This co-operation has been further consolidated with holding of the second meeting in the Turkish city of Trabzon in December 2016, which saw the signing of several memorandums of understanding in various fields to contribute to push

forward the relations between the two countries.

Qatar National Bank acquired the share of National Bank of Greece in 'Finance bank' in Turkey which holds 99.81% for \$2.94bn.

The Commercial Bank of Qatar also acquired a 75% stake in Turkey's (Alternatifbank) that predominantly serves medium-sized companies.

QInvest, Qatar's leading investment group, also fully acquired Ergo Portfoy, one of the largest and fastest-growing Shariah-principled asset management companies in Turkey.

The expansion of Qatari banks in Turkey was due to the growing relationship between the two countries, as well as the desire of the Qatari local banks to find viable investment opportunities outside the Qatari banking market to achieve further investment diversification.

Qatar has become one of the biggest buyers of financial assets in the Turkish market in light of the Qatari



banks' initiatives in the past few years to invest abroad, either through establishing branches in a number of cities and capitals of the world, or by entering into partnerships with other banks to create a common banking units.

Turkey has become one of the main attractive markets for Qatari investors. Qatari investments has exceeded \$1bn, supported by the increasing number of Qatari tourists to Turkey, which reached about 35,000 in 2016. Turkey represents an important economic destination for Qatar for enjoying promising investment opportunities in all fields, including energy, transport, tourism, banking, and real estate.

Many Turkish companies are operating

in Qatar in infrastructure development and World Cup projects. There are about 60 Turkish companies working in Qatar, participating in 35 projects. The turnover of those companies amounted to about \$14bn at the end of 2016.

The great development in the economic and trade relations between the two countries reflect the keenness of both the leaderships to continue strengthening bilateral relations in all fields, to reach more concrete achievements, especially in the private and businessmen sector.

Doha hosted the 6th Session of the Turkish-Qatari Joint Commission on Economic and Technical Co-operation in November 2016 as one form of co-

operation and co-ordination between the private sectors in both countries. The number of Turkish companies operating in the State of Qatar with a Qatari-Turkish capital reached 242, while the number of Turkish-capitalised companies reached 26 in the country.

In April 2017, the first edition of EXPO TURKEY was held in Qatar under the patronage of Qatar Chamber (QC), which witnessed participation from a variety of industries namely real estate, construction for direct investments, purchases and joint venture partnerships.

The exhibition elevated the strategic partnership between the two countries, making them the main economic hubs in the region. Qatar and Turkey have shared vision and values, which is going to strengthen the resilience of Qatar and also provide bilateral opportunities between the countries.

■ *Dr R Seetharaman is Group CEO of Doha Bank.*