

# Untapped potential could boost US-Qatar bilateral trade

THE PENINSULA — DOHA

Doha Bank hosted an online event on November 10 to discuss 'US-Qatar Bilateral Co-operation and opportunities in Trade and Investment'. Speakers included Natalie Baker, Charge d'Affaires, US Embassy Doha; Fahad Al Dosari, Diplomat and Commercial Attache, Qatar Embassy in Washington DC; Megan Schildgen, Senior Commercial Officer, US Embassy Doha; and Jesse Edgerton, Senior Economist, JP Morgan Chase, New York.

Dr. R Seetharaman, Group CEO of Doha Bank discussed details of Qatar's fiscal plan, Qatar banking sector statistics and opportunities between Qatar and the US. Total GCC imports from the US are \$19.8bn and total GCC exports to the US are \$12.7bn in 2021. More than 120 US companies operate in Qatar and Qatar-US total trade stood at \$8.1bn before the pre-covid crisis in 2019.

He said that Qatar Investment Authority aims to raise investments in the US to \$45bn over the next two years. He said Qatar is a land of opportunity. The government has made major changes to Qatar Financial Centre, Qatar investment law, Qatar PPP law, Qatar Property law, Qatar Foreign ownership in listed companies, Qatar Food security, Qatar Fintech and Qatar Sustainable development. US FDI in Qatar was \$14.2bn in 2019, a 0.3 percent increase from 2018. Major institutions participating in strategic developments of Qatar's hydrocarbon industry include Exxon, Chevron, Occidental and Conoco Phillips. Qatar has world class American universities including Cornell, Texas A&M, Georgetown University, Northwestern, Virginia Commonwealth University, and Carnegie Mellon. Qatar and the U.S. work together in many areas like Trade, Investment, Finance and creation of Free Trade Zones.

Charge d'Affaires Natalie Baker spoke about the strength of the bilateral relationship and noted the 4th US-Qatar Strategic Dialogue, on November 12 in Washington, D.C. Charge d'Affaires Baker also highlighted the Qatar-USA Year of Culture 2021 and that the US Embassy will celebrate 50 years of repre-



Dr. R Seetharaman, Group CEO of Doha Bank and other dignitaries during the online event.

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Fahad Al Dosari spoke on the total economic partnership valued at \$200bn, enjoyed trade surplus with Qatar even in pandemic. Qatar's 2020 FDI stock in the US totaled \$3.9bn. Over 800,000 jobs are supported by Qatari investments in the US, including 1200 direct jobs from US affiliates of majority owned Qatari companies. QIA has pledged a \$10bn investment in US infrastructure. Qatar has invested in US sectors like Communications, Coal, Oil & Gas, Financial Services, and Real Estate. Qatar is among the top supplier of goods to US mainly for mineral fuels, including aluminum, fertilizers, and inorganic chemicals. He said that Qatar has integrated 18 government services into one online platform facilitating trade and investment in Qatar. Qatar and the US can work on building a knowledge-based city in Doha.

Megan Schildgen spoke on the

areas in which the US government supports small to medium size US businesses as they expand to new export markets and compete on opportunities overseas. The commercial office at the US Embassy in Qatar facilitates relationships between US companies and potential buyers in Qatar or local representatives, and works with Qatari companies to deepen ties with U.S. companies via trade shows and technology fairs. In addition, she detailed how the US Embassy commercial office fosters foreign direct investment into the U.S. by working with large companies and Qatari entrepreneurs, which can benefit from US intellectual property laws.

Jesse Edgerton spoke on the US economic outlook, he said the US lost approximately 22 million jobs and now the economy is close to pre-Covid levels, with 4 million more jobs needed to reach near pre-Covid levels. He said US CPI is currently at 6.2 percent in October 2021 versus 5.4 percent in September 2021, which he expects will be transient and the numbers to decrease. He expects the rate hike may be at the end of 2022, flattening the balance sheet. Given the changing dynamics, the savings rate for US consumers has increased with an increase in disposable income rising, housing prices rising and asset prices rising globally. He expects the US will manage the debt crisis next month but it may continue beyond the month of December.

The US and Qatar can work together to boost bilateral trade, as the underlying potential remains attractive for both the nations.