

How to do business in Qatar

Legal considerations

Civil and commercial law operates in Qatar. If no appropriate legislation is available, those courts will look to Sharia law.

It is now mandatory for businesses in Qatar to use Arabic as the main language for issuing invoices, service lists and product labels.

Foreign investment law in Qatar

Foreign investors may only invest in Qatar in accordance with the provisions of the Foreign Investment Law. Various incentives are available to attract foreign capital including tax breaks and duty exemptions. See the Qatar Development Bank site at: <https://www.qdb.qa/en> for details of the Investment Law provisions.

Foreign business investors may invest in all parts of the national economy excluding commercial agencies and generally real estate. Approval from the Council of Ministers is required for foreign investment in banking or insurance.

Foreign investment is generally limited to 49% of the capital for most business activities, with a Qatari partner(s) holding at least 51%. However, with government approval, the law allows up to 100% foreign ownership in the following sectors:

- agriculture
- industry
- health
- education
- tourism
- development and exploitation of natural resources
- consultative and technical work services
- information and technology sector
- distribution services

Commercial agents law

All agency agreements are exclusive arrangements as part of the commercial agent law. You should consult legal professionals in Qatar to avoid costly mistakes and ensure you start out in the way that is best suited to your sector of activity. See: <https://www.gov.uk/government/publications/qatar-list-of-lawyers>.

Controlled goods export licences

You must have a licence to supply anything on the UK strategic export control lists to Qatar.

You can check if you need an export licence at: https://www.ecochecker.trade.gov.uk/spirefox5live/fox/spire/OGEL_GOODS_CHECKER_LANDING_PAGE/new.

Some products may need certification or licensing before export. You can check which ones at: <https://www.gov.uk/starting-to-export/licences>.

Import restrictions

Banned items include (but are not limited to):

- pork and pork products
- any items potentially offensive to Muslim culture
- e-cigarettes
- jewellery
- gambling devices including playing cards

Other items are restricted and may be subject to censorship or other approvals.

Alcohol is not illegal in Qatar, but some laws apply to alcohol and its consumption for visitors and residents. The Qatar distribution company Qatar Loving manages the importation of all alcohol. See: <https://www.qatarloving.com/qatar-distribution-company/> for further information about alcohol laws in Qatar.

The General Authority of Customs has more information on import restrictions at: http://www.customs.gov.qa/eng/imp_exp.php.

Law on marketing and selling

You ideally need to establish a local office if you do not already have one, as foreign companies are generally not allowed to market their products and services directly.

Call centres for customers must use Arabic.

Standards and technical regulations

Almost all Qatari standards are based on those developed by the Gulf Standardization Organization (GSO). These standards are based to some extent on international standards, but do not necessarily conform.

There are Qatari-specific standards relating to building, mechanical and food products. The Qatar General Organization for Standards and Metrology (QGOSM) has responsibility for Qatari standards.

Imported products requiring conformity certificates are given automatic entry if tested by an accredited laboratory. Vehicle spare parts, tyres and some electrical products require a certificate of conformity to clear Qatari customs.

You should consider taking out product liability insurance if you manufacture or supply a physical product that is sold or given away for free. See: <https://www.abi.org.uk/products-and-issues/choosing-the-right-insurance/business-insurance/liability-insurance/product-liability-insurance/>.

Packaging

Your goods should be appropriately packed for Qatar. You should take into account Qatar's hot climate.

Product labelling

The Ministry of Economy and Trade requires all importers to register to get an import licence. These are only issued to Qatari nationals. This regulation also applies to wholly foreign-owned entities operating in Qatar.

Qatar enforces strict rules on labels and packaging of food products and enforces GCC shelf-life standards for about 200 food products. The manufacturer's established shelf life is accepted for other food products. Products must arrive in Qatar with at least half the shelf-life duration remaining.

Labels must be in Arabic only, or in Arabic/English. Small quantities of products with English-only labels may be approved for import on a case-by-case basis.

Food labels must be clearly labelled with:

- product and brand names
- printed production and expiry dates (no date stickers allowed)

- country of origin
- name and address of manufacturer
- net weight in metric units
- list of the ingredients and additives in descending order of importance
- all fats and oils used as ingredients clearly identified

Meat must have a health certificate and a 'Halal' slaughter certificate issued by an approved Islamic centre in the UK.

[Source – DIT/gov.uk]

Taxation

The UK and Qatar have signed a double taxation agreement, which means the same income is not taxed in more than one country. See: <https://www.gov.uk/government/publications/qatar-tax-treaties>.

Value added tax (VAT)

There is presently no sales tax in Qatar. However, the GCC have announced an intention to introduce a 5% VAT by the end of 2018. The exact details on implementation and timing of the VAT are yet to be announced. [Liv – post may be able to update us on this]

If you are registered for Value Added Tax (VAT) you can zero-rate the VAT on most goods you export to Qatar. You will need to get evidence of the export within three months from the time of sale.

You can find more information on VAT in non-EU markets and zero rating conditions at: <https://www.gov.uk/guidance/vat-exports-dispatches-and-supplying-goods-abroad#vat-on-exports-to-non-eu-countries>.

Excise duty

There is a 100% tariff imposed on alcohol and tobacco products in Qatar.

You should check you have paid excise duty on any alcohol, alcoholic drinks, energy products, electrical or tobacco products you send to Qatar.

You can find out more about excise duty and excise duty drawback outside the EU, at: <https://www.gov.uk/government/publications/excise-notice-207-excise-duty-drawback/excise-notice-207-excise-duty-drawback>.

Corporate income tax

Qatari companies are exempt from tax. However, foreign companies and any business activity carried out in Qatar, is subject to a corporate income tax of 10%. This includes any services or consultancy contracts within the state as well as any gains on property.

[Source – DIT/gov.uk]

Customs

The General Authority of Customs has responsibility for all customs matters. See: <http://www.customs.gov.qa/eng/index.php>. Qatar is part of the GCC customs union.

The rate of duty on most items imported into GCC is 5%. Products may be exported to other GCC countries freely without further duties once in Qatar.

Some duty exemptions are available for equipment relating to a particular project, and for the import of materials where they are not available locally.

Goods that compete with locally-manufactured products attract a higher rate of duty, such as steel (20%), cement (20%) and urea (30%).

Goods from other GCC countries are exempt from customs duty if accompanied by a certificate of origin issued by the Chamber of Commerce in the GCC country of origin.

Importers in Qatar must be:

- registered in the Importers (Suppliers) Register at: http://www.customs.gov.qa/eng/cust_forms.php
- approved by the Qatar Chamber of Commerce at: <https://qatarchamber.com/>

You can find out about import tariffs at the EU's Market Access Database (MADB). See: <http://madb.europa.eu/madb/indexPubli.htm>.

To release imports from customs zones the following documents are required:

- certificate of origin
- invoice and shipping document

- full description of goods
- health and quality certificate, if applicable

In Qatar, the letter of credit (LC) is the most common instrument for controlling exports and imports. When an LC is opened, the supplier is required to provide a:

- certificate of origin
- certificate from ship's captain of the ship or shipping agency stating that the ship is allowed to enter Arab ports

Both documents should be notarised by an Arab Embassy or Consulate, or an Arab Chamber of Commerce in the exporting country.

Complying with HMRC regulations to export to Qatar

You must make export declarations to HMRC through the National Export System (NES) to export your goods to Qatar.

You can find out how to declare your exports to Qatar through the NES at: <https://www.gov.uk/guidance/export-declarations-and-the-national-export-system-export-procedures>.

You must classify your goods as part of the declaration, including a commodity code and a Customs Procedure Code (CPC).

Commodity codes and other measures applying to exports in the UK Trade Tariff can be found at: <https://www.gov.uk/trade-tariff>.

Contact the HMRC Tariff Classification Service at: <https://www.gov.uk/government/publications/notice-600-classifying-your-imports-or-exports/notice-600-classifying-your-imports-or-exports#list-of-useful-contacts> for more help.

You must declare any goods that you take with you in your luggage to sell outside the EU. See: <https://www.gov.uk/take-goods-sell-abroad> for further information.

Temporary export of goods

You will need an export licence to temporarily take dual use goods to Qatar.

You should use the SPIRE system to apply for a temporary export licence. See: <https://www.spire.trade.gov.uk/spire/fox/espire/LOGIN/login>.

Temporary imports into Qatar need prior approval from Qatar's Customs – see: <http://www.customs.gov.qa/eng/Forms/Request%20of%20temporary%20importation.pdf>. A 5% fee of declared Cost, Insurance and Freight (CIF) is charged for the Temporary Importation Under Bond (TIB). Some types of equipment are exempted from duty.

[Source – DIT/gov.uk]

Import documentation in Qatar

Documentation required includes:

- certificate of origin
- invoice and shipping document
- full description of goods
- health and quality certificate, if applicable

The certificate of origin, bill of lading, packing list and other commercial documents must be certified by the Arab British Chamber of Commerce (ABCC) at: <https://www.abcc.org.uk/> and notarised by the Qatar Embassy in London. Visit: <http://london.embassy.qa/en/embassy>.

Letters of credit for imports into Qatar are normally on a cost-and-freight basis.

You may need to work with a Qatari Customs Agent. Contact the DIT in Qatar at: <https://www.gov.uk/world/organisations/department-for-international-trade-qatar#contact-us> for further advice and lists of agents.

Shipping your goods

If you are not knowledgeable about international shipping procedures you can use a freight forwarder to move your goods. A forwarder will have extensive knowledge of documentation requirements, regulations, transportation costs and banking practices in Qatar.

You can find freight forwarding companies to help you transport your goods to Qatar via the British International Freight Association (BIFA) at: <http://www.bifa.org/home> or the Freight Transport Association (FTA) at: <http://www.fta.co.uk/>.

Posting goods

You can find out about sending goods by post to Qatar at: <http://www.royalmail.com/qatar>.

Shipping restricted, banned and dangerous goods

Special rules apply if you are shipping dangerous goods to Qatar. See: <https://www.gov.uk/shipping-dangerous-goods/what-are-dangerous-goods> for more information.

You should consider working with a local agent who can advise on the latest import licensing requirements. Contact the DIT in Qatar at: <https://www.gov.uk/world/organisations/department-for-international-trade-qatar#contact-us> for assistance and information about third-party advisers.

Terms of delivery

Your contract should include agreement on terms of delivery using incoterms: <https://www.gov.uk/guidance/international-trade-paperwork-the-basics#international-trade-contracts-and-incoterms>.

UK Export Finance

The UK Government can provide finance or credit insurance specifically to support UK exports through UK Export Finance (UKEF) – the UK's export credit agency. See: <https://www.gov.uk/government/organisations/uk-export-finance>.

For up-to-date country-specific information on the support available see UKEF's cover policy and indicators for Qatar at: <https://www.gov.uk/guidance/country-cover-policy-and-indicators#qatar>.

[Source – DIT/UKEF/gov.uk]

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