



Doing Business in Qatar

Qatar is one of the most prosperous countries in the world and has the fastest growing economy in the Gulf Cooperation Council (the GCC).

The following commercial arrangements may be used by a foreign investor to establish a legal presence and conduct business activities in Qatar:



1- Incorporating a local entity:

Foreign investors often opt to incorporate a limited liability company (LLC) because it requires a relatively small amount of capital (not less than QR 200.000).

Foreign Investment Law restricts foreign ownership to a maximum of 49 per cent of a company's capital. However, foreign investors may own up to 100 per cent of the capital if:

- The entity operates in the following sectors: agriculture, industry, healthcare, education, tourism, exploitation and development of natural resources, energy or mining, consultancy services, technical and information technology, cultural, sports and entertaining services or distribution services.
- The project contributes to Qatar's development plans.

Notwithstanding the 49 per cent foreign ownership cap. foreign investors have flexibility to preserve significant control over an LLC by including protective provisions in its operating agreements.

2- Incorporating or registering with the QFC (the Qatar Financial Centre Regulatory Authority -QFCRA- regulates, licenses and supervises banking, financial and insurance related businesses carried on, in or from the QFC):

Entities licensed by the QFC and operating under the auspices of the QFC may be fully owned by non-Qatari natural or legal persons. Full repatriation of profits and capital is expressly permitted for QFC entities.



3- Incorporating or registering in the Qatar Free Zone:

The capital of companies can be entirely owned by foreign investors.

4- Appointing a commercial agent:

If a foreign entity wishes to sell goods or services in Qatar but does not wish to maintain a physical presence in the country, it may enter into a commercial agency relationship with a Qatari natural or legal person.

5- Appointing a distributor:

A distributor may be appointed by a foreign investor to represent him in a distributing and selling certain goods in Qatar.

6- Appointing a commercial representative:

A foreign investor may appoint a commercial representative through an employment contract with such person. The commercial representatives perform commercial activities in Qatar on behalf of foreign investors for a fee.

7- Obtaining a license for a temporary branch or representative office:

A foreign company can open a temporary branch office in Qatar if the company is awarded a specific contract involving a project that contributes to public service or interest.

A foreign company can open a representative office. It cannot conduct financial transactions in Qatar and its activities are limited to marketing and administrative functions.

PLEASE FEEL FREE TO CONTACT US WITH ANY QUESTIONS OR QUERIES.

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