

QATAR

Legal Provisions

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GENERAL REMARKS

The purpose of this document is to give an overview of trade-related legal provisions and regulations, particularly those relevant for small and medium sized Swiss companies operating from outside the target country. It outlines the current state of legislation and, to the extent possible, its practical application.

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CUSTOMS LAW AND DUTIES

Gulf Cooperation Council Customs Union

Qatar is part of the Gulf Cooperation Council ("**GCC**") Customs Union, which was established in 2003 to remove customs and trade barriers among the GCC Member States. The GCC Member States (including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) apply a Common Customs Law and a Unified Customs Tariff with a standard external customs duty rate of 5% of the goods' cost, insurance and freight value, except for certain special purpose goods, such as tobacco, alcohol and cigarettes for any foreign goods.

The GCC Customs Law does not levy export customs duties. The GCC Customs Law sets out the general legal framework for customs regulations and procedures. However, the practical application of the GCC Customs Law is subject to the interpretation of the local customs authorities in the GCC Member States.

Qatar, within the GCC framework, has signed GCC Free Trade Agreements with many countries including New Zealand, Singapore and the European Free Trade Association ("**EFTA**") countries. The Free Trade Agreement ("**FTA**") between the EFTA (including Switzerland) and the GCC was signed in 2009 and subsequently entered into force in 2014. The FTA ultimately aims to promote trade and investment between the two regions by removing tariffs and non-tariff barriers on goods and services. Under the FTA, over 95% of trade in industrial products between the two regions is duty-free, hence providing customs duty exemptions, with the intent to phase out the remaining tariffs over time. The FTA also includes provisions on intellectual property rights, competition, government procurement, and sustainable development as well as a dispute settlement mechanism that allows parties to resolve disputes through consultations and, if necessary, through an arbitration process. The FTA has provided great opportunities also for Swiss companies to expand their businesses and increase their competitiveness. It has also helped to strengthen economic ties and foster closer cooperation between Switzerland and Qatar as well as the other GCC member states. Overall, the FTA between EFTA and GCC has been seen as a significant step towards greater economic integration and cooperation between Europe and the Gulf region.

Negotiations are currently underway with several countries and trading groups such as the European Union, Japan, China, Australia, Pakistan, India, Türkiye and the Mercosur member countries (Argentina, Brazil, Paraguay and Uruguay).

Customs Law and Duties

In 2023, Qatar Customs Authorities have introduced reforms that will help to boost trade and simplifying customs procedures for exporters and importers:

1. Importers can complete customs procedures without commercial invoices under specific conditions.
2. Goods that are temporarily exported and returned are subject to special conditions and controls.
3. Penalties for "smuggling" cases have increased to three times the duties or double the goods value, as per [GCC Common Customs law](#).
4. Pre-clearance of goods before their arrival at customs ports is now permitted to reduce time and costs, and ensuring prompt goods release.

The acceptance of electronic documents required for customs clearance marks a step forward in digitizing the trade process. However, it is subject to specific conditions and controls: <http://www.s-ge.com/en/customs-database-worldwide-customs-tariffs>.

Taxation

Qatar operates a territorial taxation system. Unless specifically exempt from tax, an entity is taxable in Qatar if it has generated Qatar-sourced income, regardless of the place of its incorporation. Although the amendments introduced in 2023 have preserved the overarching principle of taxing income arising from sources in Qatar, these amendments have specified various types of income generated outside Qatar that could be subject to income tax in Qatar such as dividends, royalties, interest, income from movable assets etc. subject to certain conditions.

Qatar currently has broadly two tax regimes in which foreign investors can potentially operate with different tax rules applicable in each. Those tax regimes currently are the State tax regime and the Qatar Financial Centre (QFC) tax regime.

- State-registered entities are subject to the **State Income Tax Law**.
- Entities registered in the QFC are subject to the QFC Tax Regulations.

The standard tax rate on profits is 10% under both frameworks. However, there are important distinctions between the two frameworks, most notably that the QFC does not apply withholding tax or contract tax retention.

Income Tax

The current tax rules in the State of Qatar are governed by Law No. 24 of 2018 (the Income Tax Law) and the Executive Regulations issued on 12 December 2019, which contain the detailed rules related to the administration of the tax regime. Income Tax Law and the Executive Regulations were amended in 2023, introducing several changes including Qatar's commitment to the implementation of Global Minimum Tax at a minimum 15% tax rate in line with the OECD's BEPS Pillar Two.

Currently, the headline income tax rate is 10%. However, the share of profit attributable to Qatari nationals, as well as GCC nationals residing in Qatar, could be subject to exemption from Income Tax. Also, Income Tax exemptions apply to entities listed at the Qatar Stock Exchange.

Qatar Science & Technology Park (QSTP)

Entities registered and operating under the scope of their QSTP license fall under the scope of the State tax system. In general, such QSTP entities are granted an exemption from corporate income tax and can import goods and services free of Customs Duties.

However, tax-exempt entities including QSTP entities are required to file tax returns, apply withholding taxes (WHT) on payments to non-residents and comply with all other relevant compliance obligations as detailed above.

Qatar Free Zones (QFZ)

Benefits of setting up in one of the Free Zones include 100% foreign ownership and, based on the publicly available information, a 20-year tax holiday (i.e., zero corporate tax, zero customs duties, and no personal income tax). However, it should be noted that the relevant tax regulations have not been published yet.

Other Taxes

VAT / Sales Tax

Currently, Qatar imposes no VAT or sales tax on operations in Qatar. However, the introduction of VAT in Qatar under the common GCC VAT Framework is expected in the near future. The standard VAT rate is anticipated to be 5%, with provision for certain exempt activities and certain activities being subject to VAT at 0%.

Excise Tax

As of 1 January 2019, Qatar introduced excise tax on the following goods at their respective rates:

- Tobacco and its products: 100%
- Energy drinks: 100%
- Carbonated drinks: 50%
- Special purpose goods (consumed under specific conditions and authorisations): 100%

Businesses subject to excise tax are obliged to register, collect excise tax, submit periodical returns and pay excise tax.

Personal Income Tax

There are no taxes imposed on employed individuals' salaries, wages and allowances in Qatar. Employers have to pay social insurance in respect of Qatari and GCC national employees, but have no obligations for employees of other nationalities.

IMPORT REGULATIONS / NON-TARIFF RESTRICTIONS

To export goods to Qatar, it is essential to have an authorized customs agents for customs clearance and delivery.

The Swiss company must follow customs regulations, meet safety, health, environment, and quality standards, and comply with restrictions on certain items such as drugs, food, mechanical equipment, food, etc.

In accordance with Islamic tradition, the importation of pork and any pork products is prohibited. Alcohol and alcohol products are discouraged by the imposition of heavy customs duties.

Other products such as telecommunication equipment, printed books, steel and medicines will require special approvals from the government such as ICT, Ministry of Education, Ministry of Health, and Qatar Steel. Suppliers will be notified of the need for special approval and the required documents/certificates at the time of placing the order.

It is important to provide official invoices, certificates of origin, and packaging lists for shipments. The documents must contain accurate information (no hand writing in the forms), including HS code, country of origin, and value of goods. The specific requirements vary according to the type of goods and regulations.

The customs authority may release the shipment after imposing a penalty for non-original documents. The penalty applied for non-original invoice will be a minimum of USD 150 to maximum USD 300.

Storage Fees: Cargo that is not picked up within 3 days from the date of arrival will incur storage fees and charged at USD 0.88 per kg/per day.

PRODUCT REGISTRATION AND TECHNICAL STANDARDS

Product Registration

Product registration vary depending on the type of goods such as pharma products, food products, IT products, etc.

It is very important to check the HS code <https://www.ecustoms.gov.qa/qccswui/#/home/inquiries> and the ministry regulations before exporting the product. In general, the local agent is in charge to proceed with registration.

[Guide for food registration](#)

Standards, Technical rules, and Labelling Regulations

Current laws and regulations of the General Customs Authority and the Ministry of Public Health require labeling especially for food products. Labels are mandatory and it must include product and brand names, shelf life, country of origin, name and address of the manufacturer. Food labels must be in Arabic only or in Arabic/English. All imported meats require a health certificate issued by the country of export and a Halal slaughter certificate issued by an approved Islamic center in that country. Qatar enforces GCC shelf-life standards through GS 150/2013 (previously GS 150/1993 and GS 150/2007), Part I and II. Part I lists products with mandatory shelf lives, while Part II lists products with recommended <https://www.gso.org.sa/en/>.

CURRENCY REGULATIONS AND OTHER TRANSFER RESTRICTIONS

The Qatari Riyal is pegged to the US Dollar (1 USD = 3.664 QAR).

There are no foreign exchange restrictions in Qatar.

Companies can freely purchase foreign exchange through the banking system to make payments for capital repatriation, dividends and obligations on foreign currency loans.

COMMERCIAL REGISTER AND LEGAL FORMS OF COMPANIES

It is very important for Swiss companies wishing to invest and do business in Qatar to analyze the most appropriate type of legal identity for their business. The country offers different regulatory regimes namely the State system under the Ministry of Commerce and Industry as per the Commercial Companies Law of Qatar Law No. 11 of 2015 as amended by Law no. 8 of 2021 and the Foreign Investment Law no. 1 of 2019 [Companies Type – Ministry of Commerce and Industry \(moci.gov.qa\)](https://moci.gov.qa/CompaniesType).

State System Company Setup (Ministry of Commerce and Industry)

According to the Commercial Companies Law, there are seven types of legal identity: General Partnership Company, Simple Partnership Company, Joint Partnerships, Joint Venture Company, Public Shareholding Company, Limited Liability Company, Holding companies.

- **Limited Partnership:** comprising two categories of partners: (i) general/joint partners, who shall manage the company and be liable, jointly and severally, for all the liabilities of the company in their personal assets; and (ii) limited/silent partners, who contribute to the capital of the company without being responsible for the obligations of the company, except to the extent of the capital they provide to the company or what they undertook to pay to the company.
- **Joint Liability Company:** consisting of two or more natural persons, who shall be jointly liable for the company's obligations.
- **Unincorporated Joint Venture Company:** a concealed company which does not apply to third parties. It does not enjoy a legal personality and is not subject to any declaration procedures.
- **Joint Stock / Shareholding companies:** which can be either a public or private shareholding company.
- **Public Shareholding Company** with its capital divided into equal shares capable of being traded. A shareholder shall only be liable to the extent of its contribution to the company's capital. The capital of a public shareholding company shall not be less than ten million (10,000,000) Qatari Riyals.
- **Private Shareholding Company** whose number of founders are not less than five (5) and may establish a private shareholding company that does not offer its shares for public subscription, and they subscribe to all its shares. The company's share capital shall not be less than two million (2,000,000) Qatari Riyals.
- **Partnership Limited by Shares:** consisting of two groups: (i) one group involving one or more active partners jointly liable for all the debts of the company in their own money, and (ii) one group of one or more non-active partners who shall only be liable for the debts of the company to the extent of their share in the capital.
- **Limited Liability Company (LLC):** consisting of one or more persons and the number of partners shall not exceed fifty (50) persons. A partner will only be liable up to their share in the capital. The shares of the partners shall not be negotiable securities. Liability of the shareholders is limited to the amount of their respective commitments in the LLC's capital.

- **Holding Company:** which can be in the form of either a shareholding company or a limited liability company. A holding company financially and administratively controls a company or other companies affiliated to it by owning at least (51%) of the shares or stocks of such companies. The share capital of a holding company shall not be less than ten million (10,000,000) Riyals and its objectives are strictly listed in the Companies Law.

It is highly recommended to consult a legal advisor before taking any decision on the type of legal identity. However, LLC is the most used business entity in Qatar. Qatari laws and regulations used to require that a LLC must be a 51% Qatari owned but these laws and regulations have been recently relaxed to allow non-Qataris to own up to 100% of businesses in most business sectors, with some exceptions for banking and insurance. The LLC no longer has any minimum share capital requirements (previous requirement of minimum share capital of QAR 200,000 has been removed since 2015).

Under the Foreign Investment Law, foreign investors may obtain an exemption from the general 49% shareholding restriction. Many companies have obtained this exemption and now allow for up to 100% foreign ownership.

Foreign Branch

In accordance with the Foreign Investment Law, a foreign investor may register a 100% foreign-owned temporary branch in Qatar if it has a contract with a ministry, government authority, public body or institution, or a company or institution in which the State owns an interest.

Representative Trade Office (RTO)

By virtue of a Ministerial Decision no. 396 of 2017, foreign entities are permitted to set up wholly foreign owned RTOs in Qatar.

An RTO is a suitable option where a company wishes only to market its products and services in Qatar. An RTO has a very narrow and restricted scope of permitted activities and is not allowed to undertake profit generating commercial activities in Qatar – e.g., provide goods or services in Qatar. A company wishing to establish an RTO must apply for permission to register from the Ministry of Commerce and Industry.

Qatar Free Trade Zone Company Setup

Apart from the State system, Qatar offers also for foreign investors to establish a legal presence in the Qatar Financial Centre (QFC) and in free zone areas such as, the Qatar Science & Technology Park (QSTP) and the Qatar Free Zones (QFZ) which are subject to fewer restrictions than the State system.

- **QFC:** The QFC provides for 100% foreign ownership to foreign investors operating in specific sectors. As the QFC is an onshore regime, entities established therein can access the local market freely. It is a requirement for entities to be based at any of the QFC's designated premises in Qatar (which are not confined to a specific zone).

Broadly there are two categories of permitted activities in the QFC - regulated activities and non-regulated activities. The Qatar Financial Centre Regulatory Authority (the **QFCRA**) is the independent regulator responsible for authorising businesses that wish to carry out regulated activities in the QFC. Its counterpart, the Qatar Financial Centre Authority (the **QFCA**) is the commercial and strategic arm of the QFC that processes license applications for entities seeking to carry out permitted non-regulated activities in and from the QFC.

Regulated Activities

Regulated activities in the QFC include activities such as financial, banking and investment business; insurance and reinsurance business; funds administration, fund advisory, fiduciary business and other financial related business.

Non-regulated Activities

Permitted non-regulated activities in the QFC were originally limited to professional services in support of financial firms (e.g. services generally provided by professional services or consulting firms). The QFC subsequently expanded the scope of permitted non-regulated activities to include services such as IP management and treasury for all sectors, consultancy services in relation to Information Technology, fintech, real estate, recruitment, and sports and event management.

The above-mentioned services are not exhaustive and the QFCA continues to consider novel types of professional B2B services on a case-by-case basis, to the extent that the envisaged business proposition is a strategic fit for the QFC.

The QFC also offers the possibility for investors to set up special purpose companies for the purpose of a transaction or a series of transactions. There is a streamlined and quicker process for setting up such vehicles which are also not subject to the same corporate compliance obligations as the other QFC entities.

- **QFZA:** The QFZA is designated for foreign investors that are in logistics, chemicals and emerging technologies sectors. Their entities are registered as branches of foreign companies and limited liability companies www.qfz.gov.qa.

The QFZA is an independent authority created in 2018 to oversee and regulate the Free Zones in Qatar, offering opportunities and benefits for businesses seeking to expand globally.

The Free Zones offer:

- Office facilities, land options, access to transport systems;
- Potential access to a QFZA-backed fund especially dedicated to promote growth;
- Availability of workforce and a supportive visa regime;
- Tax exemptions;
- 100% foreign ownership with full capital repatriation; and
- Partnership opportunities.

The initial focus of the QFZA is on the three sectors of logistics, chemicals and emerging technology. There are **currently two Free Zones** that have been established - **Ras Bufontas** (Airport free zone) and **Umm Al Houl** (Port free zone) which are components of the previously designated Special Economic Zones.

The QFZA is creating specialised cluster areas within the zones for these sectors, allowing companies in those sectors to benefit from a growing community of like-minded organizations, dedicated research and innovation facilities and partnership opportunities.

Further development of the Free Zones concept in Qatar is anticipated in the coming years. “Manateq”, a new free zone area, will oversee this development and aside from the Special Economic Zones, it is also anticipated that there will be an expansion on investment opportunities and options in Logistics Parks, Industrial Zones and Warehousing Zones.

- **QSTP:** The QSTP allows international companies and research institutes or branches of foreign companies even L.L.C, to develop and implement advanced technologies with tax exemptions www.qstp.org.qa.

Aimed at incubating and growing Qatar’s post-carbon economy and developing Qatar’s 2030 National Vision, the QSTP was established to encourage international corporations and research institutes from around the world to develop and commercialize technology in Qatar and launch entrepreneurial technology businesses.

QSTP entities must be physically located within the QSTP zone and are only permitted to engage in the activities specified in their license. QSTP entities are exempt from corporate income tax and can import goods and services free of customs duties. However, such tax-exempt entities are required to file exempt tax returns with the General Tax Authority (GTA).

The most common form of entities to be registered under the QSTP are branches of foreign companies or LLCs. It is also possible for QSTP-registered companies to be public companies and list on the Qatar Stock Exchange.

REGULATIONS GOVERNING SALES AGENTS AND COMMERCIAL REPRESENTATIVES

Commercial Agents

Foreign companies who wish to operate in Qatar without establishing a legal presence of their own in the country may enter in a contract with a commercial agent on the basis of a pure agency arrangement.

However, there are many considerations and legal implications to be aware of when using a commercial agent: Exclusive agencies must be registered with the Ministry of Commerce and Industry and are governed by the agency provisions in the Commercial Code and the Commercial Agencies Law.

It is often difficult for a foreign company to terminate a registered commercial agency, and in any event, compensation may be payable by the principal to the commercial agent, even upon the expiry of a fixed term agency agreement.

Exclusivity, right to commission on sale and right to compensation for termination of the agency relationship are the benefits afforded to the Agent under the Commercial Agencies Law when the agency agreement is registered. It should be noted that the Commercial Agencies Law mandates certain outcomes favorable to the Agent with respect to the expiration or termination of an agency contract, and these provisions should be reviewed carefully when entering into an agency agreement.

Agents with expired commercial agencies who fail to renew their agencies may be struck off the commercial agents register by the Ministry of Commerce and Industry (MoCI) in accordance with the Commercial Agencies Law.

Franchise Agreements

Doing business through franchise agreements is another popular alternative. This is a contractual relationship whereby the franchisor grants the franchisee the right to use one or more rights of the franchisor, such as the commercial name, trademark, patent and know-how to produce or distribute the franchisor's goods or products under the brand name within specified territorial limits for a limited period of time against a material benefit or economical interest. The franchisee exercises the franchising rights under the control and supervision of the franchisor and pursuant to its instructions.

As there is no specific franchising legislation enacted in the State of Qatar, the franchise structuring options and any actual franchise operations are dictated by, and need to comply with, a loose collection of laws and regulations, which regulate general issues of commercial law and trade, commercial relationships, foreign investment, shareholder rights and obligations, and so forth.

It is highly recommended to consult a legal advisor before taking any decision on entering into any such agreements or business arrangements in Qatar.

ENTRY VISAS, WORK CONDITIONS AND PROCEDURES

Entry Visas

If you are planning to visit Qatar for a business trip or work, you need to apply for the appropriate visa before traveling. Here are some key points:

- Business Visa allows you to attend conferences, conduct projects, or work in Qatar for a specific period. There are two types of Business Visas
 - A 72-hour Business Visa – is designed for short business visits such as meetings, conferences, and exhibitions. This type of visa is issued on arrival at Hamad International Airport and can be extended for additional 75 hours with extra fee through [Hukoomi Portal](#).
 - 30 or 90-day business visa - is for individuals working on short-term projects, such as consultations, contractors, or projects. The Qatari company sponsoring your visit is responsible to provide you the business visa. The 30-day business visa can be extended

for additional 30 days, while the 90 day is non extendable. A fine of QR 200 per day will be imposed if the business visa is expired. The company that applied for your business visa can give you a letter of approval allowing you to convert your visa to a work visa.

Work Conditions & Procedures

Any expat who intends to work in Qatar must be in possession of a valid work permit or residence permit. The company registered in Qatar, also called the sponsor, is legally entitled to issue the work permit for its future employee. Expats and future sponsors should be aware of specific procedures and additional costs for changing jobs. Employees can change jobs before the contract ends and move to another sponsor when they obtain permission from their sponsor. A no-objection letter from the current employer is required. A fee of QR 1,000 to transfer sponsorship to a new employer applies, and it is usually covered by the new employer.

In 2019, the government amended some provisions of Law No. 21 of 2015 regulating the entry and exit of expatriates and allowing investors to obtain permits without sponsors based on non-Qatari capital investment. In addition, the Ministry of Interior made the sponsorship system (kafala) more flexible and introduced a minimum wage.

Useful information and online services can be found on the website of the Ministry of Labour:

<https://www.mol.gov.qa/en/services/Pages/default.aspx>

Employment (the Labour Law and the QFC Regulation on Employment)

Employment in Qatar (outside of the QFC) is governed by Law No. (14) of 2004 (as amended) (the Labour Law), which sets out the framework around working hours; annual leave and public holidays; health and safety; workers' committees; collective agreements, and termination of employment.

The Labour Law, including Law No. 1 of 2015 which introduced the Wage Protection System (or WPS), applies to all employees in Qatar in the State, with few exceptions (including, for example, domestic workers and those employed by certain public sector entities).

Employment in the QFC, where the Labour Law does not apply, is regulated exclusively by Regulation No. 10 of 2006 (QFC Regulation), and consequently employees of companies registered with, or incorporated under, the QFC Laws are subject to this specific Employment Regulation, rather than the provisions of the Labour Law.

It is mandatory to have a local employment contract in order to apply for a work/residence permit in Qatar. Pursuant to both the Labour Law and the QFC Regulation, the duration of an employment contract can either be limited (i.e. with a contract with a fixed term) or unlimited. Different considerations apply to each, specifically in relation to the ability to terminate without financial liability.

Irrespective of duration, the Labour Law and the QFC Regulation set out specific details which must be included in an employment contract as a minimum. There are minor differences between the Labour Law and the QFC Regulation in respect of the mandatory information.

However, broadly, local employment contracts would generally be expected to include the name of the employer, registered place of employment, the name of the employee, nationality, wage/ salary, annual and other leave, type of work, commencement date and duration of the contract (if fixed term).

PROTECTION OF INTELLECTUAL PROPERTY

Intellectual property (IP) rights in Qatar are governed by various laws and regulations aimed at protecting creations of the mind, including inventions, literary and artistic works, symbols, names, images, and designs. Qatar's IP framework is aligned with international standards.

There are 5 key types of IP in Qatar: copyright; patents; trademarks; industrial designs; and trade secrets.

Qatar has mechanisms for enforcing IP rights, including administrative actions, civil litigation, and in some cases, criminal penalties for infringement. The QFC and the [Ministry of Commerce and Industry](#) both play roles in dispute resolution related to IP matters. Qatar's courts can impose fines, injunctions, and award damages for IP infringements.

For registration of trademarks in Qatar see <https://www.moci.gov.qa/en/our-services/investor/intellectual-property-rights/>

PROCEDURES FOR COLLECTING PAYMENT

With or without an agency agreement, it is recommended that a Swiss exporter insists on payment for goods in the form of an L/C letter of credit when dealing with private companies. Government agencies do not fail to honor their financial commitments, although delays may occur due to bureaucracy.

ENFORCING COMMERCIAL CONTRACTS AND RESOLVING DISPUTES

There are multiple dispute resolution systems in Qatar. The standard forum for resolving disputes is in the Courts of Qatar applying the Laws of Qatar.

Qatari laws have been significantly revised to cope with international best practices and standards, although it is permissible for parties to a contract to select a governing law other than Qatar law. For example, for financial transactions, the parties may select other laws, such as Swiss or English law, to govern part of the relationship. However, for matters involving real property in Qatar, security of assets domiciled in Qatar, labor matters or the structuring of Qatari entities, the application of Qatar law is often mandatory, regardless of what law has been agreed to by the parties. Foreign investors often select arbitration as the method of dispute resolution.

Problems with non-payment are occasional and often result from a dispute over the specifications of the goods shipped or a lack of cash on the part of the importer. In this type of dispute, the Swiss supplier will be well advised to seek an amicable settlement, even if this involves some sacrifice. Legal action against the client could be lengthy and costly in terms of legal and translation fees. The Qatari courts only accept documents in Arabic or translated into Arabic.

However, in recent years alternative dispute resolution methods have gained popularity with foreign investors, such as arbitration. A new arbitration law, which was issued back in 2017 (the New Arbitration Law), can apply to any arbitration between public or private persons taking place in Qatar or any international commercial arbitration taking place outside of Qatar where the parties have agreed to apply the provisions of the New Arbitration Law. It is based on the UNCITRAL Model Law and covers numerous topics, including arbitration agreements, appointment and termination of arbitrators, arbitration proceedings, granting of awards and recognition and enforcement of arbitral awards.

The New Arbitration Law permits the parties to determine and agree on the arbitration procedure and process, including the selection of the arbitration rules and the arbitration institution or center that may be outside or inside Qatar.

The QFC hosts its own court, the Qatar International Court and Dispute Resolution Centre (the "QICDRC" or "QFC Court") which hears commercial and regulatory disputes, as well as arbitration proceedings. Parties may apply the laws of the QFC or other applicable laws governing their contracts or dealings.

Disputes resolved by litigation or arbitration in the QFC Courts are typically held in the English language, providing an additional convenience for some foreign investors in comparison to the Courts of Qatar system.

OVERVIEW OF PUBLIC PROCUREMENT SYSTEM

The Qatari government amended some provisions of the Public Procurement Law No. 24 in 2015 via Cabinet Decision No. 11 of 2022 to support local SMEs and improving the procurement process. The new amendment exempts SMEs from bid and performance bonds for certain contract, removes tender documents fees for bids under 1,000,000 QAR, and prioritizes SMEs for bids under 5,000,000 QAR. This change aims at increasing transparency and efficiency in government tendering processes and supporting the private sector and SMEs in implementing a variety of projects.

Foreign and local contractors bidding for government contracts in Qatar must provide bid and performance bonds, typically from 5% to 10% of the contract value in the form of unconditional bank guarantees or certified checks. Swiss companies that are not based in Qatar do not need a local presence during the bidding process but may need to meet local establishment requirements before signing a contract.

SOURCES OF INFORMATION AND REFERENCES

Al Meezan Qatari Legal Portal www.almeezan.qa

General Authority of Customs www.customs.gov.qa

Ministry of Commerce & Industry www.moci.gov.qa

Qatar Financial Center www.qfc.qa

Qatar Freezone Authority <https://qfz.gov.qa/>

Manateq Economic Zones Company www.manateq.qa

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