

As Stuart Pearce, CEO of the Qatar Financial Centre Authority, points out, the development of Qatar's economy is down to the vision of His Highness the Emir, Sheikh Hamad Bin Khalifa Al Thani, and his desire to see the country operate at the highest international standards. This includes best-in-class financial expertise, to ensure the abundant energy revenues are put to work in the most efficient way

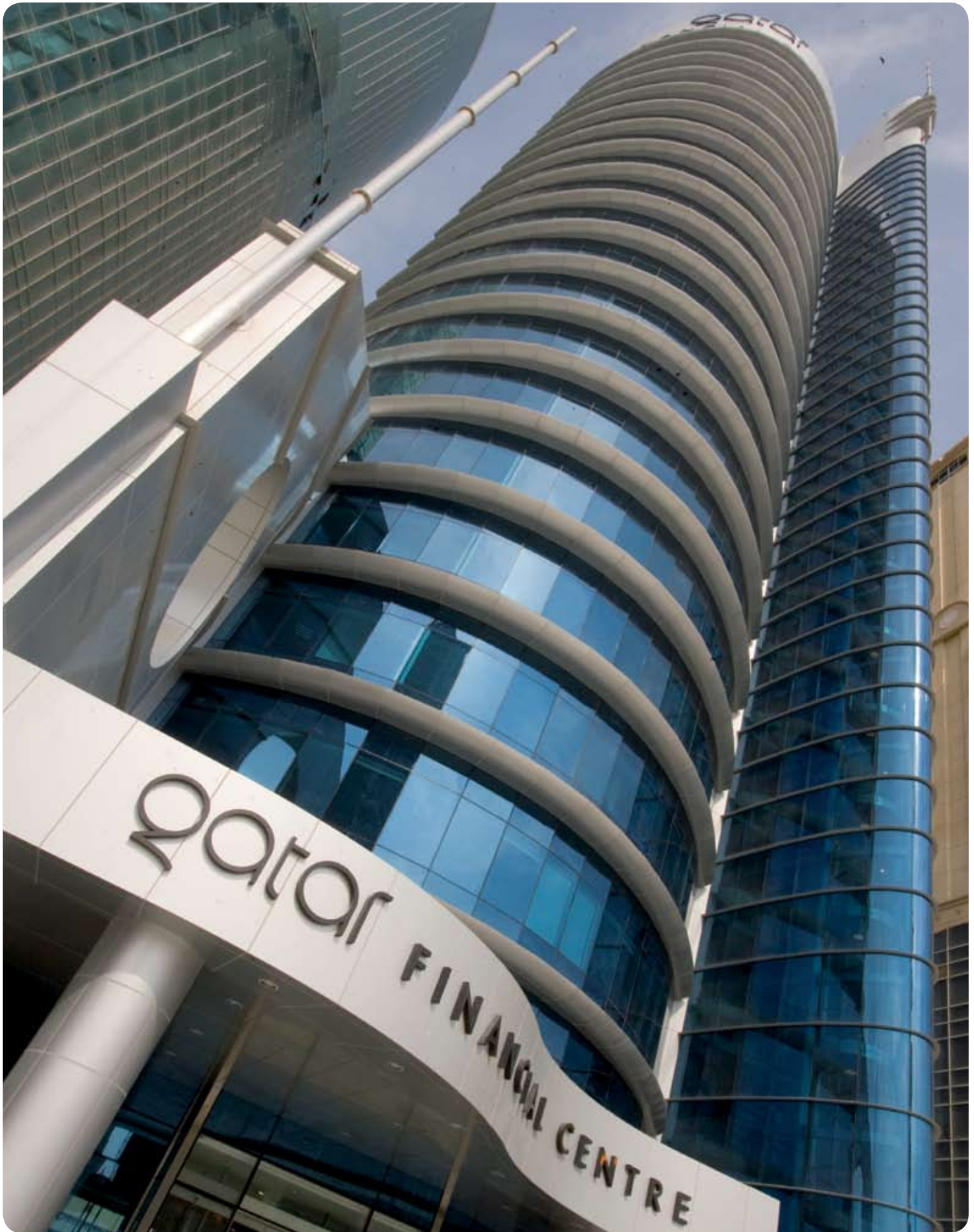
# Sharing business wisdom

I believe that this is a unique opportunity for firms to do business in the Middle East. Everyone and everything requires some kind of finance, whether it's personal medical insurance for the man in the street or the capital to buy a fleet of aircraft. Investment, project finance, commercial banking, insurance – they all need the financial techniques and experience that we attract here. Everything in Qatar is an opportunity.

Qatari Law number 7 – which established the Qatar Financial Centre (QFC) in 2005 – allows it all to happen. This enables a firm to operate in Qatar with no hindrance to doing business within the state as long as it meets the stringent standards of the QFC Regulatory Authority. Our job in the QFC Authority is to drive the commercial strategy of the QFC and to identify the financial and professional institutions who need to be here, on the ground, participating in Qatar's development and investment. We don't yet license retail banking, but the law allows for that too. This operating structure is unique in the Gulf countries in its enabling of unfettered access to the market.

All we do here is to provide a conduit for the financial market and ensure it's as easy as possible to do business. The laws and regulations developed by the QFC (based on English common law) have been constructed in a way that's familiar and logical to institutions, and the transparency of policies means that the risk is measurable. English is the





## “THE QFC IS A FUNDAMENTAL PILLAR IN THE NATION’S FUTURE ECONOMY”

**HE Yousef Kamal, Finance Minister and Acting Minister of Economy and Commerce**

language of choice in international business and so it is here. Also – and this is important – this is not a property play to pay off loans. We have no part in the financing of the QFC building – we’re simply here to facilitate firms into the market.

### Regulatory regime

The QFC Regulatory Authority is the counterpart to the QFC Authority and is a fully independent body whose role is to assess and supervise the financial institutions, ensure legal and regulatory compliance, and develop policy for the sector. Its operations are overseen by a separate board reporting to the Council of Ministers.

A rigorous routine of due diligence, monitoring, supervision, reporting and other checks on licensed or applicant firms are all part of the QFC Regulatory Authority’s role. The QFC Regulatory Authority also runs thorough checks on the qualifications of a firm, not just its balance sheets. We aim to avoid problems before they arise. The process is very robust because we’re keenly aware that poor conduct from a firm will reflect badly on the country as a whole. This rigour also adds cachet to firms who are members of the QFC; it demonstrates that they are serious and respectable businesses who want to get it right. A strategic partnership with the QFC shows a commitment to Qatar itself.

The speed of growth of the QFC is impressive. Started in May 2005, it has now licensed over 50 firms. By the end of the summer it will have registered 70 firms and more are expected by the end of the year, when a second QFC building will open. The number of staff in the QFC Authority and QFC Regulatory Authority has multiplied tenfold in the same period.

I think every one of the staff here is highly driven by this unique experience of playing a part in nation-building, including writing the laws. Over 80 per cent of us have been sourced from within Qatar, 60 per cent are female and almost all have long experience of working in the Middle East. We also have an intern programme for graduates of



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Qatar financial district

universities in Qatar. Personal growth for our staff comes from getting to do things here that they couldn’t do anywhere else. That’s a big motivation for all of us.

### Supporting growth

This has been a good year: we’ve reached a critical mass in terms both of types of businesses represented and the geographies they come from. A year ago we were ‘ready for business’ and now we are doing business, which will be reflected in our new marketing campaign, to be launched soon. We’re looking for ways to support increasing depth in the financial sector. For instance, what are the best ways to support particular types of asset and investment management? As the products on offer become more specific this will deliver greater benefit to clients, boosting their growth potential. Increased competition will also drive a more efficient economy, which in turn brings benefits to society as a whole.

Looking ahead, our role is set to further expand. The potential for partnerships between Qatari companies and with QFC-based companies will be fully explored and exploited. We’re committed to the expansion of a system for sharing and retaining knowledge of best practices, regardless of the movement of people and institutions. We’re convinced that the additional information and facilitation we can bring to companies through experience, research and development will be vital to their success. The process has in reality only just begun.