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Qatar Chamber supports companies' access to government tenders

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'Gulf states investing in green tech is a smart move'

GWC launches Phase-2 of Al Wukair Logistics Park

Leading logistics provider GWC has launched Phase-2 of Al Wukair Logistics Park, a 1.5mn-square-metre integrated logistics hub, which will benefit Qatar's micro, small and medium businesses.

Phase-2 comprises more than 500 units, designed and optimised for warehousing, retail and light industrial workshops operations.

These units feature highly competitive leasing rates, making them accessible to businesses of all sizes.

"Since its inauguration in early 2022, the GWC Al Wukair Logistics Park has been making waves of success for a multitude of MSMEs. The launch of phase-2 further affirms our continuing quest for growth and contributing to the realisation of the Qatar National Vision 2030," stated GWC chairman Sheikh Abdulla bin Fahad bin Jassem bin Jaber al-Thani.

Each unit within the park spans 250sq m, with a generous 220sq m dedicated to operational activities and a 30sq m office and utilities space.

Furthermore, the inclusion of parking facilities at each unit ensures convenient access for clients.

All services at the logistics park are powered by GWC, allowing clients access to the company's end-to-end logistics services and solutions, including customs clearance, transport, racking, supply chain consulting, freight and distribution.

These services, GWC noted, are immediately operational, with all utilities (water, electricity and fibre-Internet), as well as IT infrastructure governed by an on-site data centre that will allow clients to be ready for business the moment they choose GWC as a service provider.

Group CEO Ranjeev Menon affirmed GWC's commitment to serving the logistics needs of MSMEs stating, "With 20 years of experience, our problem-solving team is focused on high-quality performance and responsiveness, something every client at Al Wukair will experience for themselves as they enter their reserved spaces.

"As GWC Group continues to expand and evolve, we are proud to have made significant strides in achieving our strategic growth plan, solidifying our position as prominent leaders in the logistics industry. Our strategic approach, driven by innovative technology and employee development, reinforces our conviction to deliver exceptional solutions and progress with utmost determination."

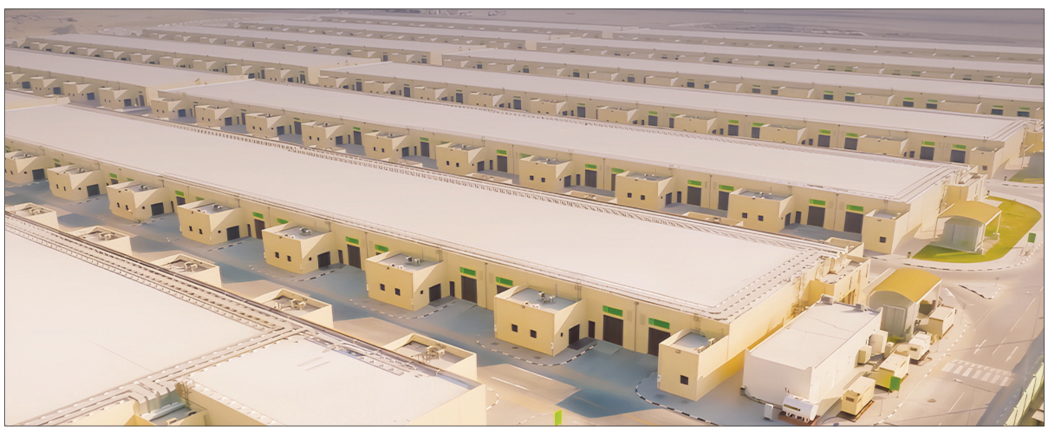
GWC was awarded the development of Al Wukair Logistics Park by Manateq in December 2019.

Under the agreement, GWC is tasked with the construction, operation, and transfer (BOT) of the 1.5mn-square-metre logistics park.

This public-private-partnership entails a 30-year lease tenure and a significant investment value exceeding QR1.5bn.

Sheikh Abdulla bin Fahad bin Jassem bin Jaber al-Thani, GWC chairman, and Ranjeev Menon, GWC Group CEO.

Leading logistics provider GWC launched Phase-2 of Al Wukair Logistics Park, a 1.5mn-square-metre integrated logistics hub, which will benefit Qatar's micro, small and medium businesses. All services at the logistics park are powered by GWC, allowing clients access to end-to-end logistics services and solutions, including customs clearance, transport, racking, supply chain consulting, freight and distribution



Qatar Chamber general manager Saleh bin Hamad al-Sharqi, who is also chairperson of the exhibition's Technical Committee, and QNB's Khalid Ahmed Khalifa al-Sada, senior executive vice-president – Group Corporate and Institutional Banking, during the signing ceremony held at the chamber's Doha headquarters.

QNB is official sponsor of 'Made in Qatar 2023'

Qatar Chamber and Qatar National Bank (QNB) signed a formal sponsorship agreement yesterday for the ninth edition of the 'Made in Qatar 2023' exhibition.

The agreement was signed by Qatar Chamber general manager Saleh bin Hamad al-Sharqi, who is also chairperson of the exhibition's Technical Committee, and QNB's Khalid Ahmed Khalifa al-Sada, senior executive vice-president – Group Corporate and Institutional Banking.

Held under the patronage of His Highness the Amir Sheikh Tamim bin Hamad al-Thani, the 'Made in Qatar' exhibition is organised by Qatar Chamber, in co-operation with the Ministry of Commerce and Industry, from November 29 to December 2 at the Doha Exhibition and Convention Centre (DECC).

Al-Sharqi said, "We highly appreciate the QNB's keenness on enhancing and boosting the national industry, which significantly reflects its great efforts for developing the private sector and providing financial facilitations to business owners and entrepreneurs, particularly in all segments of the industrial sector."

He highlighted the exhibition's role in promoting the national industry and facilitating communication among businessmen and entrepreneurs in the industrial sector, expressing the hope that the exhibition would contribute to the further development of the industrial sector, especially small and medium-sized enterprises (SMEs).

Al-Sada emphasised QNB's commitment to nurturing and supporting events that promote national products and contribute to economic development.

He noted that the QNB Group is keen on sponsoring the event due to its essential role in encouraging local production, promoting national products, and assisting Qatari industrial companies in marketing their products both locally and globally, contributing to increasing self-sufficiency ratios in various products.

Al-Sada also underlined QNB's continuous commitment towards supporting such events and exhibitions that contribute to enhancing local production and benefiting the local economy and industry.

Wiktor Wójcik, president of Olsztyn – Mazury Airport Management, and Dr Mohamed Althaf, director of LuLu Group International, shaking hands after signing the MoU, in the presence of Gustaw Marek Brzezin, governor of Warminsko-Mazurskie region; Yusuffali MA, chairman of LuLu Group, and other officials.

Yusuffali MA, chairman of LuLu Group, in a meeting with Zdzislaw Sokal, adviser to the president, in the presence of diplomats, senior officials of the Polish Investment and Trade Agency; Dr Mohamed Althaf, director of LuLu Group International; and other officials.

Yusuffali MA, chairman of LuLu Group, and Pawel Kurtasz, chairman of the Polish Investment & Trade Agency, concluding the MoU signing ceremony, in the presence of diplomats and senior officials of the Polish Investment and Trade Agency and other officials.

LuLu branches out into Europe; launches operations in Poland after Italy

GCC-based retail giant LuLu Group has announced plans to establish a sourcing and export hub for the Central European region in Poland.

LuLu Group recently signed two separate MoUs with Polish government entities, Olsztyn Mazury Airport and the Polish Investment & Trade Agency.

Under the MoU, LuLu will establish its latest facility at Olsztyn Mazury Airport, branded as the gateway to the Masurian Lake District to source, pack, and export fresh produce, especially apples, berries, cheeses, meat, and other packed food products to the Middle East and North Africa, India, and far east regions.

The MoU with the Polish Investment & Trade Agency will facilitate smooth investment and operational processes for LuLu Group in Poland. This will also help scout for new opportunities in other related business sectors in different regions of Poland.

The first consignment was flagged off by Gustaw Marek Brzezin, governor of Warminsko-Mazurskie region, and Yusuffali MA, chairman of LuLu Group in the presence of Wiktor Wójcik, president of Olsztyn – Mazury Airport Management Board at Olsztyn Mazury Airport; senior officials of the Polish Investment and Trade Agency; Dr Mohamed Althaf, director of LuLu Group International; and other officials.

A B2B meeting was also organised with the farmers' co-operative societies and other agro-producers to find new avenues of co-operation. In the first phase, the group expects to export €50mn worth of products, which is expected to grow significantly as new product lines are added.

Yusuffali and the delegation also held high-level meetings and discussions with key ministers and Polish government officials at the presidential palace in Warsaw. During the meeting, Zdzislaw Sokal, adviser to the president, lauded LuLu Group's strategic move to invest in Poland.

He also highlighted the many new reforms and initiatives the Polish government is doing to support and enhance investments in the country.

Robert Telus, Poland's Agriculture and Rural Development Minister, extended the government's full support to the projects of the LuLu Group. He also stressed the importance of the Arab market for Polish products. Telus accepted the invitation of Yusuffali to visit the GCC to launch the 'Poland Promotion Week' later this year.

Yusuffali said, "We are very excited to sign this MoU with Olsztyn Mazury Airport Management to source and export Polish agricultural produce to our hypermarkets across the Middle East and other regions.

"As part of the food security strategy, we are keen to set up our own sourcing and food processing units around the world to ensure uninterrupted supply and stable prices in the market. The government is very keen to boost investment here and they have also promised to allocate nine acres of land to further expand our processing unit."

He also held meetings with Janusz Cieszynski, Minister of Digital Affairs; and Waldemar Buda, Minister of Development and Technology, in Warsaw. Upon arrival, Yusuffali was given a warm welcome at the Olsztyn Mazury Airport by the Airport Management and Region Administration.

Gulf states investing in green tech is a smart move

By Fahad Badar

It may seem illogical for Gulf states, whose income is predominantly from oil and gas exports, to invest in renewable energy. In fact, it makes strategic sense

The Qatar Foundation is reported to be preparing a £4bn investment in developing green technology in the United Kingdom. The plan is for a university-type institution that would develop new green technologies. The investment includes a £1.5bn fund to create seed capital for start-ups, and hopefully unicorns, as part of the technological revolution in clean technology. The principal technical partner will be Rolls-Royce. The likely location is in or near west London, close to existing centres of excellence such as Imperial College and Oxford University.

It is likely that the investment will yield both improvements in the efficiency of existing clean technologies, as well as potentially breakthrough technologies.

Green tech has become more attractive in recent years owing to economic as well as environmental considerations. The more that certain technologies are used and manufactured, the lower the unit cost. Wright's Law is nearly a century old. It was established by Theodore Wright in the 1930s, who observed that costs declined by 15% as aircraft production doubled. He called this the 'learning rate'. In the context of clean technology, this alters the debate and the decision-making, as it is no longer the case that going 'green' comes with economic net cost.

Many nations and industries are moving towards 'Net Zero' – in which human activity does not result in a net addition to emissions of known greenhouse gases which are known to cause climate change. There is far more at stake when it comes to curbing climate change than economics, but it helps enormously if the energy transition becomes more affordable. Later this year, in November-December the United Arab Emirates will host COP28, the latest United Nations Climate Change conference to encourage compliance with commitments made under the Paris Accord 2015.

This legally binding treaty, signed by 196 states, nominally commits countries to ensure that global warming is kept well below 2 degrees above pre-industrial levels, with greenhouse gas emissions falling by 43% by 2030, a target for which the world is not on course to meet.

For Gulf states to be making such significant political commitments and strategic investments to prepare for a net-zero world with significantly reduced oil and gas usage, may appear surprising, given the current economic dependence on hydrocarbon exports in the region.

In fact, it makes strategic sense. To begin with, being part of the energy transition represents sensible diversification. Switching the type of fuel has occurred repeatedly in the industrial revolutions of human history: Burning coal was more efficient than burning wood; diesel gradually replaced coal in trains and in the shipping industry, and now cleaner forms of propulsion are replacing diesel and petrol. It is better to position an economy at the centre of these developments, than stay with technology that could become obsolete.

Yet there is another, even more important imperative: Climate change is real, it is accelerating, and it is affecting Middle Eastern countries directly. Extreme weather events are no longer part of a projected future, they are with us.

The northern hemisphere summer this year has experienced devastating wildfires in Greece and in Hawaii, and intense localised rainstorms one of which, in northern Libya, destroyed a dam and washed away parts of town of Derna, causing thousands of deaths. While each extreme weather phenomenon cannot be precisely linked to climate change, Libya's Meteorological Center confirmed the rainfall was unprecedented, and climate scientists have long warned that such events will become more frequent.

From my own experience as a mountaineer, I know that glaciers are melting, at an alarming rate. This is occurring in the European Alps, in Greenland, Iceland, Antarctica and even in the highest mountain range, the Himalayas. Melting glaciers as well as heavy monsoon rains contributed to the devastating floods in Pakistan in 2022.

In the Gulf, very high temperatures have long been a feature of life, but they are becoming higher, and more frequent. There is only so much that air conditioning systems can do to make life bearable. Last year the US space agency Nasa projected that some zones will become uninhabitable by 2050, and parts of the Middle East were set to be one of them. So the investments in green tech by the Qatar Foundation, and the hosting of the latest UN climate change conference by the UAE, are substantial and genuine initiatives. They are not about global positioning, diplomacy or PR. They are to do with economic diversification, and human survival.

■ *The author is a Qatari banker, with many years of experience in the banking sector in senior positions.*

Qatar Chamber backs companies' access to government tenders, says Sheikh Khalifa

Qatar Chamber recently participated in the 'Annual Meeting of State Procurement Programme 2024', organised by the Ministry of Finance, in co-operation with the Ministry of Commerce and Industry and Qatar Development Bank (QDB).

Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani led a delegation, which included board members Mohamed bin Ahmed al-Obaidli, Abdulrahman bin Abdulla al-Ansari, and Shaheen bin Mohamed al-Mohannadi.

Sheikh Khalifa said the forum serves as an essential platform for small and medium-sized enterprises (SMEs) to learn about government purchases.

It also offers an opportunity for co-operation with government agencies in accessing tenders. He noted that the chamber provides full support to SMEs when facilitating access to government tenders and contracts.

He lauded the forum saying that it allows SMEs to engage directly with government ministries and authorities to learn about procurement plans for the upcoming year. This, Sheikh Khalifa noted, helps prepare companies when participating in tenders and contracts. He added that this also reflects the partnership between the public and private sectors and enhances the role of SMEs in the national economy.

At the forum, al-Obaidli underscored the importance of facilitating the private sector's involvement in government procurement. He stressed that facilitating the entry of SMEs and micro-enterprises into government tenders and contracts constitutes a means of supporting and stimulating local industry for the production, diversification, development, and marketing of products both domestically and internationally.

Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani.

Al-Obaidli also highlighted the importance of government directives that require ministries and government agencies to use and purchase local products provided that they conform to Qatari standards and specifications and are in accordance with the regulations and policies of the bidding and auction committees in the State.

He explained that facilities include various aspects, such as reducing bank guarantees, document fees, and tender-related costs, as well as encouraging start-ups and supporting national companies that aim to contribute to the national economy by hosting international conferences and exhibitions in Qatar.

Al-Obaidli emphasised the significance of the private sector's participation in committees focused on the development of tendering, procurement, and government contracting systems, as well as the in-country value (ICV) system that has been applied to entities subject to the Tenders and Bids Law since August 2022.

He stressed that the ICV system aims to provide a competitive advantage to companies based on their contributions to the local economy.

Al-Obaidli also highlighted the chamber's active participation in events and activities aimed at increasing reliance on the private sector and emphasised the chamber's commitment to supporting such directives by strengthening co-operation with all stakeholders in the state, participating in initiatives that involve the private sector in state projects and tenders, and allowing the private sector showcase its products at exhibitions it holds, foremost of which is the 'Made in Qatar' exhibition.

Mena e-commerce market may rise to nearly $57bn by 2026: Emirates NBD

By Pratap John
Business Editor

Mena e-commerce market may rise to nearly $57bn by 2026, with the market penetration rate rising from 5.7% in 2022 to 8.3% in 2026, Emirates NBD said in a report.

While consumer electronics and apparel and footwear are expected to remain the biggest Mena consumer segments in absolute terms, reaching $7.3bn and $4.6bn by 2026, the fastest growing segments are expected to be home care, food and drink, and beauty and personal care.

The three years prior to the start of the Covid-19 pandemic saw strong growth in the Mena region's e-commerce market, growing on average 26% year-on-year between 2017 and 2019, the report said.

The overall Mena e-commerce market size is estimated to have risen from a value of $9.7bn in 2017 to $15.5bn in 2019.

The Mena e-commerce market has continued to grow after 2020, albeit at a slower pace. Annual growth averaged 15.5% between 2021 and 2022, with the size of the market reaching an estimated value of $37bn in 2022. Several factors are likely to have supported the growth of e-commerce in the region over that period, including the rise of 4G services, rising smartphone and Internet penetration rates, and above average urbanisation rates.

In addition, the limited use of online retail platforms in the region at the time meant that there was significant scope for expansion. An estimate points to the share of e-commerce as a per cent of total retail trade being as low as 2% on average in the Mena region in 2017. In comparison, other markets, including the UK, US and China all had penetration rates well above 10% in 2017.

Although the e-commerce space had been expanding at a solid pace prior to 2020, the onset of the pandemic supercharged the move towards online retail sales, with the restrictions in population movement for the protection of public health creating the conditions that allowed e-commerce activity to boom. With online shopping becoming prevalent for the purchase of daily-use items, the Mena e-commerce market expanded by almost 80% between 2019 and 2020, to reach a value of $27.8bn.

While consumer electronics, apparel and footwear and consumer appliances remained the largest e-commerce categories in the region in absolute terms, the pandemic fuelled growth between 2019 and 2020 in the home care, consumer health and food and drink segments, growing 381%, 337% and 220% year-on-year (y-o-y), respectively.

There was also a visible shift in the expansion of the market share of online grocery retailers during the pandemic, with many brick-and-mortar grocery shops introducing their own online platforms.

Investment and acquisition activity has been fuelling development of e-commerce platforms in the Mena region.

A total of 795 deals, in the Mena region, reportedly raised $3.94bn of funding for startups in 2022. This represents a 24% increase in the value of investments and a 22% increase in the volume of investments from 2021.

Of the 795 deals, some 157 were made in the Fintech space, while 87 were in the e-commerce sector.

GCC to face extended period of higher interest rates: Oxford Economics

By Santhosh V Perumal
Business Reporter

The Gulf Co-operation Council or GCC will experience an extended period of higher rates, which are now at their 20-year high; hinting any decline could be expected only by the mid of next year, according to Oxford Economics, a leader in global economic forecasting and econometric analysis.

"We think the GCC countries will have to become accustomed to an extended period of higher interest rate," Oxford Economics said in a report.

As expected, the US Federal Reserve, in its latest Federal Open Market Committee meeting, left the policy rates unchanged, but it hasn't ruled out further rate hikes, it said.

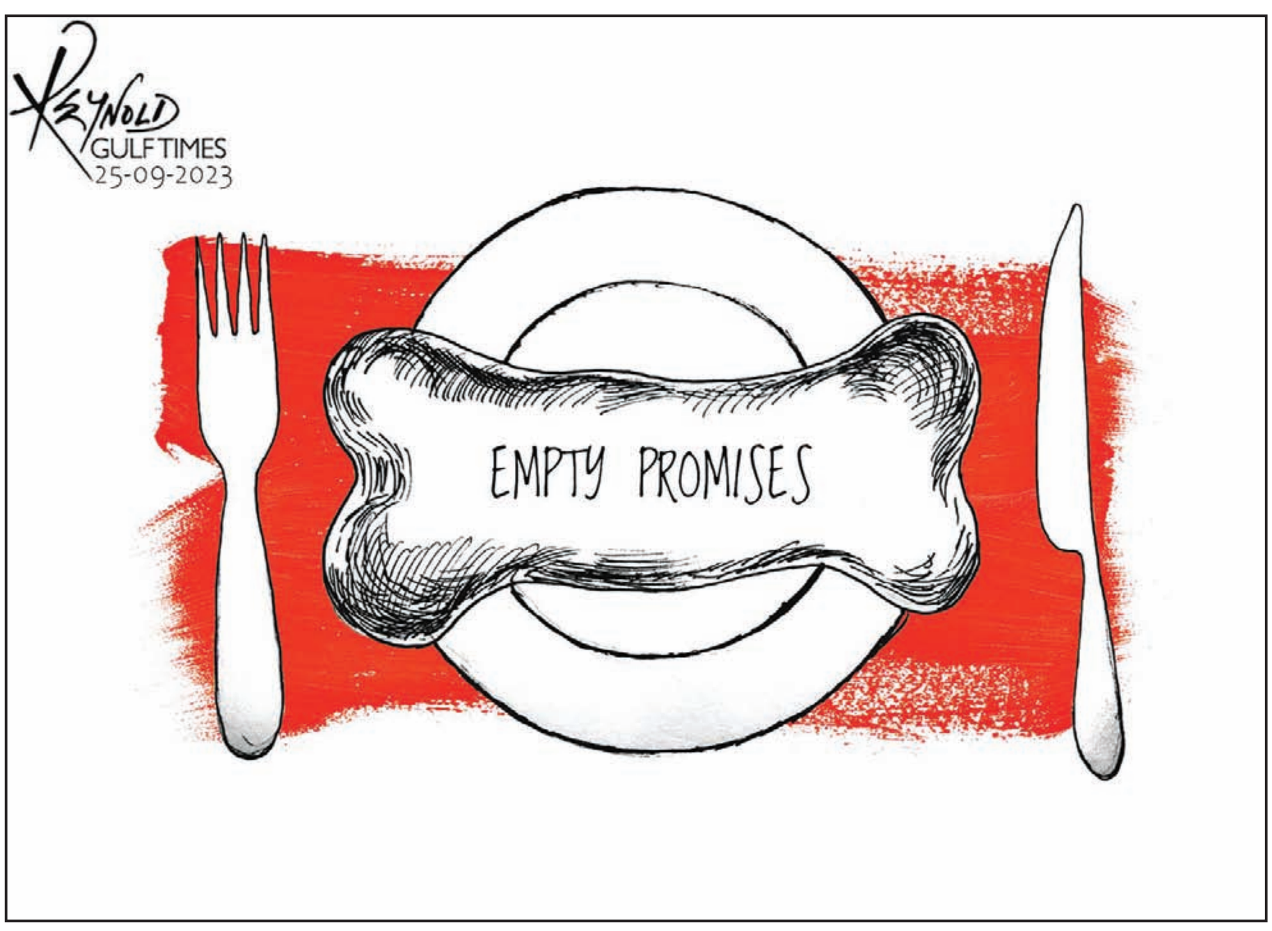
"However, we think continued easing of inflation and an ongoing cooling in labour market conditions will keep the Fed on the side-lines. We anticipate the Fed will gradually cut interest rates starting in mid-2024," the report said.

The US Federal Reserve recently paused its rate hiking cycle, offering respite to the GCC countries whose rates have reached the highest level in over 20 years, according to Oxford Economics. Highlighting that inflation is rising once more, it said "so we cannot rule out another Fed rate hike before the end of 2023, which could force the dollar-pegged nations to adapt accordingly until a strategy to cut rates is gradually rolled out."

The Gulf central banks, except that of Kuwait, have been rather mirroring the US Federal Reserve's stance as they follow the fixed exchange parity with the US dollar. The Qatar Central Bank had recently maintained status quo on its interest rates, but overall the country has seen a cumulative 5% or 500 basis points hike in interest rates since January 2022.

Although inflation is easing in parts of the Middle East, with the headline rate edging down in Qatar and Jordan in August, Oxford Economics said there are signs inflation might not fall much further. As per the latest report of the Planning and Statistics Authority, Qatar's cost of living, based on consumer price index inflation, rose 2.38% in August on an annualised basis; while core inflation rose faster at 2.7% year-on-year.

The International Monetary Fund forecasts that inflation in Qatar would average 2.1% in 2023-27. The country's CPI inflation is expected to average to 3% this year, which is below 9.9% projected in the Arab world and 3.3% in the Gulf Co-operation Council region, according to Kamco Invest.



QSE index falls on profit booking

By Santhosh V Perumal
Business Reporter

The Qatar Stock Exchange yesterday opened the week weak with its key benchmark dropping more than 31 points, dragged mainly by higher than average profit booking pressure in transport, banks and telecom sectors. The local retail investors were increasingly net profit takers as the 20-stock Qatar Index declined 0.3% to 10,291.62 points.

The Arab individuals were also increasingly net sellers in the main market, whose year-to-date losses widened to 3.65%.

About 64% of the traded constituents were in the red in the main bourse, whose capitalisation melted QR1.63bn or 0.27% to QR603.61bn with small and microcap segments losing the most. The domestic institutions turned bearish in the main market, which touched an intraday high of 10,363 points.

The Islamic equities were seen declining slower than the other indices in the main bourse, which saw a total of 0.02mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.14mn changed hands across six deals.

However, the foreign funds were increasingly into net buying in the main market, which saw no trading of sovereign bonds. The Gulf institutions were increasingly net buyers in the main market, which saw no trading of treasury bills. The Total Return Index fell 0.3%, All Share Index by 0.32% and Al Rayan Islamic Index (Price) by 0.18% in the main bourse, whose trade turnover and volumes were on the increase.

The transport sector index shrank 1.15%, banks and financial services (0.57%), telecom (0.4%), real estate (0.28%) and consumer goods and services (0.16%); while industrials and insurance gained 0.356% and 0.28% respectively.

Major losers in the main market included Qatari German Medical Devices, Lesha Bank, Dlala, Widam Food, Qatar Electricity and Water, Commercial Bank, Aamal Company, Nakilat and Milaha. In the venture market, Mahhar Holding saw its shares depreciate in value.

Nevertheless, Industries Qatar, Zad Holding, Estithmar Holding. Qatar Oman Investment, Qamco, Gulf International Services and Qatar Insurance were among the gainers in the main market. In the junior bourse, Al Faleh Educational Holding saw its shares appreciate in value. The local retail investors' net selling strengthened substantially to QR25.6mn compared to QR12.93mn on September 21.

The Arab individual investors' net selling grew perceptibly to QR1.82mn against QR0.5mn the previous trading day.