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QIA to invest in data centres, AI, tourism and healthcare as it widens portfolio

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BUSINESS

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PM underscores Qatar's focus on FDI and private sector growth

QATAR ECONOMIC FORUM
منتدى قطر الاقتصادي
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HE the Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman bin Jassim al-Thani during an on-stage conversation with Bloomberg Television anchor Francine Lacqua at the opening ceremony of the Qatar Economic Forum 2024 yesterday.

By Peter Alagos
Business Reporter

The Qatari government has been keen on creating opportunities for the private sector, attracting foreign direct investments (FDI), and the growth of the manufacturing, logistics, tourism, and ICT sectors, as well as financial services, HE the Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman bin Jassim al-Thani has said.

He made the statement during an on-stage conversation with Bloomberg Television anchor Francine Lacqua at the opening ceremony of the Qatar Economic Forum 2024 yesterday.

HE Sheikh Mohamed underscored Qatar's infrastructure-related investments in its healthcare and education sectors. He said: "Healthcare has more potential in terms of its economic side, which is basically research and development and, hopefully, the pharmaceutical industry."

He noted that Qatar has made great strides in its digitalisation strategy, citing the need for major investments in artificial intelligence (AI)-related infrastructure or applications.

The Prime Minister highlighted the role of educational institutions in pushing Qatar's plans to maximise the use of AI.

During his speech, Sheikh Mohamed announced the launch of 'Al Fanar' or the Arabic Artificial Intelligence project. He said the project's main objective is to collect quality data in the Arabic language, contributing to enriching large linguistic models and preserving the Arab identity.

Speaking on Qatar's investment plans, HE the Prime Minister highlighted the country's diversification strategy, including outward investments, making sure "there will be a high return."

"We ensure that the balance is right within our portfolio. Of course, in the last few years, the US has been one of our main markets. Asia is an interesting market, and we have investments there, but we are also exploring opportunities and trying to expand to new emerging markets like the Central Asian region and Africa.

"Our focus as a sovereign wealth fund is for future generations, so we wanted to make sure that these investments are not high-risk, ensuring the stability of the jurisdiction where we are investing and ensuring sustainable income," the Prime Minister explained.

Sheikh Mohamed said the recent launch of the country's National Development Strategy is seen as the final phase of achieving the Qatar National Vision 2030. He emphasised that the government is now capitalising on the infrastructure that was built for the energy sector and for hosting the 2022 FIFA World Cup.

At the centre of this strategy, the Prime Minister stressed that Qatar is focusing on human capital, unleashing their potential, and opening up opportunities for the private sector.

On the regional level, HE Sheikh Mohamed underscored the importance of Qatar's investments in its GCC neighbours, such as Saudi Arabia and the UAE, among others. He said there has been increased interest among Qatari companies to invest in other Gulf nations.

QCB plans to issue first guidelines on how to adapt AI: Sheikh Bandar

By Pratap John
Business Editor

The Qatar Central Bank (QCB) plans to issue its first guidelines on how to adapt artificial intelligence (AI) in financial institutions in the country in a few weeks, said HE the QCB Governor, Sheikh Bandar bin Mohamed bin Saoud al-Thani.

"Regulations are very important. That's going to help financial institutions better adapt AI and mitigate the risks. At this stage, we are working on guidelines, which we have sent to financial institutions as a consultation paper. We are going to see their feedback. In future, there may be a framework that governs data, AI, risk modelling etc.

Participating in a panel session entitled 'Artificial intelligence and reinventing banking' at the Qatar Economic Forum yesterday Sheikh Bandar said: "Any new technology is fraught with risks... but the question is what type of risks. My main concern is about cyber-attacks and abusing technology to attack financial institutions.

"I am equally concerned about data privacy, biased data and market manipulation. As a regulator, first of all, we have to improve our institutional capacity. And we have to hire skilled people to closely monitor the new technology that has been adopted in financial institutions."

The QCB governor noted that AI is not a new topic for the financial industry.

"Financial industry is data driven. Financial institutions use to have predicted models, algorithms and technology, for example trading. However, by adopting the new AI technology, we assume that it is going to enhance efficiency, customer experience, help manage risks better and compliance."

HE Sheikh Bandar bin Mohamed bin Saoud al-Thani at a panel session at the Qatar Economic Forum yesterday. With him are Dr Fatih Karahan, Governor of the Central Bank of Turkiye and Joumanna Bercetche, anchor, Bloomberg Television. **PICTURE:** Thajudheen

On AI and inflation, Sheikh Bandar noted: "In the mid to long-term, my own belief is that AI will contribute to bring down inflation. This is because AI is assumed to enhance efficiency, productivity and also improve profitability.

"But in the short term, I believe AI could contribute to an increase in inflation a little bit. This is because lots of institutions will need to invest in hardware, software, new technology and training. And that might cause prices to increase a little bit."

Sheikh Bandar reiterated that Qatar will keep its currency (riyal) pegged to the US dollar.

"We are pegged to the dollar. As a central bank, our main duty is to maintain the pegged rate. That's why we are keeping the interest rate high in Qatar, despite inflation declining to a reasonable level.

"Our job is to maintain the pegged rate...our job is to make sure there is no capital outflow from our market. So, we have to manage the balance between monetary policy and growth as well as protecting the economy from capital outflows.

"Historically, this regime worked very well for the State of Qatar. We are going to keep our currency pegged to the US dollar."

On global inflationary outlook, Sheikh Bandar said: "In 2023, inflation improved significantly due to the improvement in supply chain and decline in the prices of food and energy. From the beginning of 2024, until now, inflation varied from country to country... one geography to another.

"For example, in the US, inflation is still high. In the beginning of this year, there were expectations of three cuts for 2024. But now things have changed... because data coming from the economy has changed. In the US, inflation is still high. The interest rates might stay higher for longer.

"While in Europe, we can see inflation declining to nearly 2%. A better situation than in the US."

He said no central bank will move to cut interest rate, unless they are confident enough that inflation is at its targeted level. They need more confident data to move and cut interest rates.

Sheikh Bandar also said that political stability is essential to see growth in economies around the world.

HE Ali bin Ahmed al-Kuwari, Minister of Finance; Mohamed al-Jadaan, Minister of Finance, Saudi Arabia; and Mohamed Sulaiman al-Jasser, chairman of the Islamic Development Bank Group, at one of the panel sessions of QEF 2024, Powered by Bloomberg. **PICTURE:** Thajudheen

Qatar's energy sector performs very well; 4% annual growth in non-hydrocarbons until 2030 targeted, says al-Kuwari

By Santhosh V Perumal
Business Reporter

Qatar, whose energy sector is performing very well, has targeted an annual 4% growth in the non-hydrocarbons sector for the next six years through strategising key sectors as logistics, ICT (information, communication and technology), manufacturing and tourism, according to HE the Minister of Finance Ali bin Ahmed al-Kuwari.

"Our energy sector is performing very well. We believe LNG will be transit energy for a long time," he told the Qatar Economic Forum (QEF), Powered by Bloomberg.

"We are going to increase Qatar's (liquefied natural gas or LNG) production by 85% in a phased manner until 2030. We are going to be reaching 142mn tonnes per annum of LNG," he added.

In February this year, QatarEnergy, the country's hydrocarbons behemoth, announced that it is proceeding with a new LNG expansion project, the "North Field West" project, to further raise Qatar's LNG production capacity to 142mn tonnes per annum.

Extensive appraisal drilling and testing have confirmed that productive layers of Qatar's giant North Field extend towards the west, which allows for developing a new LNG production project in Ras Laffan.

Highlighting that the country is embarking on the last phase of its journey toward the 2030 vision, he said the first phase focused on creating national champions such the Qatar Investment Authority and Ooredoo, which helped in building brand for the country.

In the second phase, he said Qatar invested more than QR300bn in developing infrastructure for the country, which stood in good stead as it successfully hosted the 2022 FIFA World Cup.

"We are building for Qatar's future. What we are doing is for Qatar. The World Cup was only an event that helped us accelerate," he said, adding "when you have such a mega event, it tells you to accelerate some of your, plans. So much of our infrastructure was accelerated for the World Cup."

Post-2022 World Cup, the country moved forward with economic diversification and enabling the private sector, he said, adding the focus was on key sector such as logistics, ICT, manufacturing and tourism.

"We are going to be using enabling sectors...the financial sector is going to be one of the strong enablers to achieve these goals," he said, targeting to grow the non-hydrocarbon by 4% a year until 2030.

He said the country has a well-crafted fiscal framework with different revenue scenarios and has a fixed formula to support the general budget, reduction of debt and investments by Qatar's sovereign wealth as well as enhance the Qatar Central Bank reserves and build a cushion for a future volatility of the market.

Qatar to 'liberalise' tourism sector to extend post-World Cup boom

Bloomberg
Dubai

Qatar plans to liberalise its hospitality industry to build on the record number of tourists thronging the nation since it hosted the FIFA World Cup in 2022.

"We will try to liberate the hospitality sector and remove any obstacles," Saad bin Ali al-Kharji, the chairman of Qatar Tourism, said in an interview in Dubai last week. "We have many restrictions on hotels regarding operating hours and licensing," he said.

Qatar's tourism industry has defied predictions of a hard landing after the quadrennial tournament on which it spent more than $300bn. It welcomed 4mn visitors in 2023, a 39% increase over the World Cup year.

This year has also started on a strong note, with capital Doha clocking a record 700,000 visitors in January, as it hosted the AFC Asian Cup soccer tournament, al-Kharji said. The city, which has an estimated 39,000 hotel rooms, had an occupancy rate of 75% in the first quarter, according to the authority.

About 44% of tourists came from neighbouring Gulf nations, he said, while arrivals from Europe, the US and Asia have also surged.

In addition to hosting the Middle East's first-ever FIFA World Cup, Qatar owns a majority stake in Paris Saint-Germain — one of France's top soccer clubs. It also has a permanent spot on the Formula 1 racing calendar under a 10-year deal that started in 2023. Doha will host the FIFA Arab Cup next year and the FIBA Basketball World Cup in 2027.

While the sporting events have helped draw thousands of fans, al-Kharji said Qatar is now aiming to lure families, medical tourists, and business travellers with a line-up of conferences and exhibitions.

The Qatar Economic Forum, Powered by Bloomberg, will bring leaders from politics and finance to the city this week.

Qatar will host the Geneva International Motor Show in Doha every two years over the next decade. The 2023 edition was the first time the high-profile event was held outside Switzerland.

Al-Kharji said the Web Summit, which brought 17,000 people to the city in February and will be held in Qatar for the next four years.

Gas-rich Qatar is also rolling out an increasingly busy calendar of art, design and fashion events as part of the push to reach its target of 6mn international visitors annually by 2030, almost three times the number in 2019.

Qatar also wants the tourism industry to contribute 12% to its gross domestic product by 2030.

Its regional peers too have similar ambitions. The UAE aims to raise the sector's contribution to the GDP to $122bn by 2031, while Saudi Arabia's investing $1tn to promote itself as a destination.

"The World Cup affected the whole region and we see the Gulf Co-operation Council as one destination," al-Kharji said, when asked about the growing competition among Gulf countries for tourists.

Qatar recently partnered with Saudi Arabia for a "double your discovery" campaign that allows visitors to explore both countries in a single trip. A new Schengen-style visa, which will grant tourists access to all six GCC nations, is in the final stages of approval.

"Every nation in the GCC is growing its tourism, and we will complement each other," he said.


Saad bin Ali al-Kharji, the chairman of Qatar Tourism.

Sheikh Mohamed H F al-Thani, CEO of QFZ, and Patrick Moebel, president and CEO of FedEx Logistics, during the MoU signing ceremony held on the sidelines of their participation at the Qatar Economic Forum.

QFZ, FedEx Logistics sign MoU to establish regional logistics facility in Qatar's free zones

Qatar Free Zones Authority (QFZ) and FedEx Logistics, a subsidiary of FedEx Corporation, have signed a Memorandum of Understanding (MoU) to facilitate the establishment of a regional logistics facility in Qatar's free zones.

The facility, which will operate under the company's FedEx Trade Networks Transport & Brokerage division, will be located at Ras Bufontas Free Zone and will include a state-of-the-art logistics office.

The MoU was signed by Sheikh Mohamed H F al-Thani, CEO of QFZ, and Patrick Moebel, president and CEO of FedEx Logistics, in a ceremony that took place on the sidelines of their participation at the Qatar Economic Forum, following a productive panel discussion titled 'Connecting to the Shifting Global Supply Chain Network' that brought together QFZ and FedEx Logistics. The new facility will help continue to support the expansion of FedEx Logistics with seamless integration into the FedEx global network, serving as a key gateway for international cargo transition in the region between Asia and Europe.

The location of the FedEx Logistics facility in Ras Bufontas Free Zone, adjacent to the award-winning Hamad International Airport and Qatar Airways, will provide enhanced access to air transportation and freight, efficient customs processing time, convenience, and the opportunity to grow business in the region.

Sheikh Mohamed said, "The collaboration between QFZ and FedEx Logistics will help accelerate the flow of goods and strengthen supply chains, benefiting economies on a global scale. The FedEx Logistics investment in QFZ reflects a shared commitment to growth and innovation within the logistics sector. The collaboration leverages the world-class expertise and global network of FedEx and will undoubtedly contribute to highlighting Qatar as a preferred business destination."

Moebel said, "The regional facility in QFZ will enable us to better serve our customers not just in the region between Asia and Europe, but also around the world. We are proud to collaborate with QFZ to establish a facility that allows FedEx Logistics to expand while continuing to deliver for our customers by helping them navigate global commerce with the guidance of regional expertise."

Kami Viswanathan, president of FedEx Express Middle East, Indian Subcontinent and Africa, said: "With the establishment of the FedEx Logistics regional facility in Qatar's Free Zones, we are not only enhancing our global network, but also reaffirming our commitment to Qatar's burgeoning role in cross-border trade and supporting the growth of the state's national economy. Together with QFZ, we are furthering our shared vision for innovation, efficiency, and growth in this dynamic market. We are excited to be at the forefront of this transformative journey and shaping the future of logistics in Qatar."

Located at the heart of the Gulf at the intersection of three continents, and with access to 60% of the world's population within eight hours of flying time and five days of sailing time, the freight and logistics market in Qatar has been growing steadily. This, along with the continued expansion of air and seaports, is positioning Qatar to be a logistics leader.

Ken Griffin says Biden's pause on LNG is an incoherent policy

Bloomberg
Doha

Ken Griffin, chief executive officer of $63bn hedge fund Citadel, said the Biden administration's decision to freeze permitting on new liquefied natural gas export projects is an "incoherent" economic policy.

Countries looking to use more gas — which would help reduce global coal usage and carbon emissions — would benefit from having both the US and Qatar as reliable sources of the fuel, Griffin said.

"If you want a country to base its economy on natural gas, they're going to want two suppliers," Griffin said during the Qatar Economic Forum in Doha on Tuesday. "It's not a win-lose dynamic between the United States and Qatar. It's a win-win." Griffin also founded Citadel Securities, a global market-making business. The 55-year-old has a net worth of more than $38bn, according to the Bloomberg Billionaires Index.

As sovereign wealth funds in the Middle East hunt for money managers that will invest their vast troves of money, Griffin said they should be looking for asset managers that align with their interests rather than try to win their business with "superficial" offerings like low fees.

"Simply put, Coca-Cola doesn't publish its recipe on the web," Griffin said. "When you're going to pick a brain surgeon, do you find the doctor with the lowest fees?"

Citadel has yet to establish a major presence in the Middle East unlike peers that have made a beeline for the region in the hopes of capturing more of the trillions of dollars in capital that the Gulf sovereign wealth funds are sitting on.

Brevan Howard Asset Management, for instance now manages more money from the emirate than it does anywhere else on the planet. Izzy Englander's Millennium Management set up in Dubai recently and now has a staff of more than 70, while Balyasny Asset Management aims to double its 12-person workforce in the emirate.

Citadel recently analysed the footprint of its peers across the region, Griffin said.

For him, a key issue when it comes to expanding anywhere is talent. Countries often try to lure top hedge funds by having very attractive tax regimes that might attract a handful of senior portfolio managers but fail to draw in the analysts and the associates who support their day-to-day work in the markets, Griffin said.

"One of the reasons that I think Citadel has been so successful is the intense collaboration that we have within our four walls," Griffin said. "Having a PM located in a low-tax jurisdiction on Zoom intermittently with a team back in London — that's not a winning formula."

Ken Griffin, chief executive officer and founder of Citadel Advisors, at the Qatar Economic Forum (QEF) in Doha on Tuesday.

HSBC continues to grow digital capabilities across Qatar, says regional CEO

■ Qatari nationals make up 37% of HSBC's total workforce in Qatar, says Stephen Moss

By Pratap John
Business Editor

As the region's leading transaction bank, HSBC "continues to grow its digital footprint and capabilities" across the country in support of the Qatar Central Bank's digital strategy, noted Stephen Moss, Regional CEO, Middle East, North Africa and Turkiye, HSBC.

"Financing of the region's new economic models and energy transition is at the heart of the opportunities we see ahead," Moss told *Gulf Times* in an interview.

"As the world's largest trade bank with a network covering 90% of the world's trade and capital flows, combined with our long-standing presence in the region, we are uniquely placed to help our clients navigate the inbound and outbound opportunities in the Middle East.

"The Qatar Free Zone Authority (QFZA) is one such example. As one of the most significant developments to support economic transformation, the QFZA is opening up great opportunities for new companies to establish a presence in Qatar. HSBC became the first bank to establish a presence in the QFZA in 2020, offering advanced digital services to the free zone's more than 200 investors."

Another fast-growing area attracting international investment is infrastructure, which has received a boost from the emergence of public-private partnerships (PPPs).

The size of the Gulf's giga project pipelines, estimated to be worth approximately $3tn, reflects the extent of the opportunity.

"The PPP model has been mainly focused on power and utilities sectors in the Middle East but we are now seeing it expand to fulfil much broader infrastructure requirements, with social infrastructure a major recipient. That is good news for international investors," Moss said.

Asked how important the Middle East to HSBC's strategic growth ambitions is, Moss said: "The Middle East's investment-led significant economic transformation drive, Asia's economic dynamism, and the necessity of creating sustainable economies are coming together to create very substantial business opportunities. HSBC, positioned at both ends of the Middle East-Asia corridor and with more than a century of history in each, is directly supporting clients to capitalise on this megatrend.

"The bright spots are plenty and according to HSBC research, annual two-way goods trade between the two regions is projected to more than double from around $950bn in 2022 to over $1.9tn by 2035.

"Take here in Qatar, for example, which has witnessed accelerated trade and investment with Asia, with China becoming Qatar's largest import and export partner. The country's sovereign wealth fund, the Qatar Investment Authority, has invested $1bn in India's Reliance Retail Ventures and has stated its intention for further public and private investments in China's retail, healthcare, tech and logistics sectors.

"There is clearly more to come; last week Hong Kong and Qatar signed an agreement to increase connectivity between the financial hubs, a move which will include sharing best practices and facilitating training to promote business.

"In short, billions of dollars of trade and investment are flowing between Asia and the Middle East. HSBC is uniquely positioned to connect clients in the two regions, and to use our long established on the ground presence, track record, and heritage at either end of the corridor to support new business and investment."

He said the four pillars of the Qatar National Vision 2030 - economic, human, environmental and social development - provide clear opportunities for HSBC to contribute. HSBC Qatar actively invests in recruiting, developing, and retaining local Qatari talent. Qatari nationals currently make up 37% of HSBC's total workforce in Qatar and the bank has a strong pipeline of Qatari talent, which it continually invest in.

About future outlook for HSBC in Qatar, Moss stated: "As one of the first banks in Qatar, HSBC has helped lay the foundations of the banking and finance industry and played a part in several milestone developments.

"Our growth story in Qatar is aligned directly to the country's economic transformation, which has been shaped by visionary leadership - both in government and in institutions such as the Qatar Central Bank."

Across the Middle East, he noted HSBC covers $3.5tn of GDP, $2.6tn of trade, and processes $1.1tn of customer payments every year.

"We support the region's largest transactions and connect global investors to the Gulf's fast-growing capital markets.

"It is this perspective, which continues to give us great optimism about the outlook for the country, and the wider region and which makes HSBC truly proud to be celebrating our 70th anniversary in Qatar this year."


Stephen Moss, Regional CEO, Middle East, North Africa and Turkiye, HSBC.

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Brookfield, QIA eye China opportunities

Bloomberg
Doha

Brookfield Asset Management Ltd and Qatar's sovereign wealth fund continue to explore investment opportunities in China even as some other investors pull back from the world's second-largest economy.

"There are many global investors that are not interested in China anymore, but there a lot that are," Brookfield Chief Executive Officer Bruce Flatt told a panel at the Qatar Economic Forum yesterday.

"The local investors have money in China and are doubling down on investing in China," he said. "A lot of the Middle Eastern investors think the Americans have gone away and so there is an amazing opportunity to put capital to work and generate higher returns."

The head of Qatar's $510bn sovereign wealth fund agreed, and said the QIA would continue to deploy money into China as current prices provide an attractive entry point.

"We have an allocation for China and we are focused on consumer related industries," said Mansoor al-Mahmoud, chief executive of the Qatar Investment Authority.

Referring to China's large population and growing middle class, he said the QIA would maintain its future focus on the country.

Speaking on the same panel, Franklin Templeton CEO Jenny Johnson echoed those thoughts and said there were pockets of opportunity in China. "It's about figuring out trends, and within China where there's a desire to build domestic markets."

Bruce Flatt, CEO of Brookfield Corp, at the Qatar Economic Forum (QEF) in Doha on Tuesday.

Temasek hunts for domestic bets with geopolitical tension rising

Bloomberg
Doha

Temasek Holdings Pte will focus on investing in companies with large, domestic-focused businesses as it seeks to avoid risks tied to simmering geopolitical tensions around the world.

The company is looking to place such bets in countries with fast-growing economies, Chief Investment Officer Rohit Sipahimalani said in a Bloomberg Television interview from Qatar on Tuesday. The Singaporean state-owned investor views geopolitics as one of the biggest risks to its portfolio at the moment.

"Geopolitics and the impact of that," said Sipahimalani, who is in the Gulf nation to attend the Qatar Economic Forum. "We are addressing that by looking really at large domestic markets or things that are self contained within an economic ecosystem so we're less impacted by that. So I think that should be okay."

Temasek's investment portfolio totalled S$382bn ($282bn) as of March 31, 2023. The company is an investor in some of the world's most global firms, including Standard Chartered Plc, a London-based lender that is one of the largest European banks operating in emerging markets and makes almost all of its money in Asia, the Middle East and Africa.

It remains heavily invested in Chinese companies even as Asia's biggest economy comes under pressure from a housing slump and mounting geopolitical tensions with the US. The firm led by Chief Executive Officer Dilhan Pillay had 22% of its portfolio invested in the nation as of March last year.

Sipahimalani, who became CIO in January 2020 said the company believes in consumer-focused companies in China, like beverage makers or providers of durable goods.


Rohit Sipahimalani, chief investment officer of Temasek Holdings, at the Qatar Economic Forum (QEF) in Doha Tuesday. The company is looking at countries with fast-growing economies, he said in a Bloomberg Television interview.

Mohamed al-Jadaan, Saudi Arabia's Finance Minister, addressing the Qatar Economic Forum (QEF) in Doha on Tuesday. While his country's massive investments are helping to grow the non-oil economy, the kingdom needs to be careful about "overheating" — which could cause inflation to quicken — and "leakages", he said.

Saudi Arabia needs to be careful about economic 'overheating': Al-Jadaan

Bloomberg
Doha

Saudi Arabia wants to avoid sending the economy into overdrive as it channels investments with the goal of pivoting the nation away from oil dependency.

Finance Minister Mohamed al-Jadaan said yesterday that while his country's massive investments are helping to grow the non-oil economy, the kingdom needs to be careful about "overheating" — which could cause inflation to quicken — and "leakages".

"If you don't allow your economy to catch up with your projects, basically what will happen is you'll import a lot more," al-Jadaan said at the Qatar Economic Forum.

As a result, Saudi Arabia could lack the factories and other capacity needed to support its plans, according to al-Jadaan.

"So giving it more time is actually wise," he said.

The economic makeover, known as Vision 2030, has been hitting some snags eight years after being unveiled by Crown Prince Mohamed bin Salman. Al-Jadaan has previously acknowledged that there may be delays or acceleration for some projects.

Under the crown prince's blueprint, Saudi Arabia is pumping hundreds of billions of dollars into everything from electric vehicles to semiconductors and sports.

"It's not actually the funding that is the constraint," the finance minister said yesterday. "It's actually the economic usage."

Faster price growth and overheating of the economy would likely result from spending "under the current circumstances of serious inflation pressures around the world and serious increases in the cost of funding," al-Jadaan said.

The kingdom's budget has swung into deficit after its first surplus in years, mainly due to lower energy prices and production and its spending commitments. It now forecasts fiscal shortfalls until 2026.

But al-Jadaan said he was confident the kingdom will deliver on the plans despite the hefty price tag, as it derives more income from non-oil sources and takes a cautious approach in assuming how much it might earn from crude.

"We are very conservative in our projections and therefore our plans on how the oil revenue will cover that expenditure," he said.

Goldman looks to entice wealthy clients to plough cash in Gulf

Bloomberg
Doha

Goldman Sachs Group Inc is planning to launch several investment strategies that will allow the firm and its wealthy clients to deploy capital in the Gulf's public markets.

Companies based in the Middle East currently comprise about 7% of the widely-tracked MSCI Emerging Markets Index and the bank's research suggests that could grow to as much as to 10%, Marc Nachmann, Goldman's global head of asset and wealth management, said during the Qatar Economic Forum. That should help draw more international investors to deploy their funds into the Gulf, he said.

"International investors are going to have to pay more attention to the region," Nachmann said.

For years, asset management executives have travelled to the Middle East to raise billions from the region's sovereign wealth funds. Nachmann's comments show that dynamic is quickly changing as countries across the Gulf look to raise funds for their own domestic initiatives.

In the wide-ranging interview, Nachmann said the bank is expanding its private credit business after recently inking partnerships with players like Abu Dhabi's Mubadala Investment Co. That tie-up will have both companies focused on direct lending across Asia.

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He added that the risk-reward in direct lending is "unusually good" at the moment and that loan-to-value ratios in the space are attractive. He also said Goldman is comfortable with credit risk despite the higher interest rate environment.

Anwar signals Malaysia isn't in a rush to cut fuel subsidies

Bloomberg
Doha

Malaysian Prime Minister Anwar Ibrahim signalled that he sees no urgency in reducing fuel subsidies, a move that according to him would strain consumers and spur inflation — even though it's a reform closely watched by investors.

"I concede that things need to be done, but it needs to be done judiciously," he told Bloomberg Television's Haslinda Amin at the Qatar Economic Forum on Tuesday. "Because in no way will I punish the masses."

Malaysia's fuel prices are among the cheapest in the world because of state support. When asked if the nation would cut such subsidies this year — as his government had earlier indicated — Anwar said it would happen "at the right time, when we are fully prepared."

Anwar, who early in his term, had pledged to improve Malaysia's fiscal position and reduce government debt from the current level of over 60% of gross domestic product, reaffirmed his commitment to cut wasteful spending and plug leakages while balancing the need to keep Malaysians satisfied.

The country's economic growth cooled to 3.7% last year after posting the fastest expansion in two decades in 2022.

The government stands to save 5bn ringgit ($1bn) annually after reducing support to electricity and poultry consumers, Anwar said. "Now, we have to consider diesel as there are too many leakages," he said.

Malaysia currently absorbs much of the price of fuel and cooking oil for its population, a move that was estimated to cost 81bn ringgit last year. The government has sought to replace the broad subsidies with targeted assistance this year to help narrow the 2024 budget deficit to 4.3% of GDP, from 5% in 2023.

When Anwar took power, the fiscal gap was at 5.6% and debt stood at 1.5tn ringgit, according to the premier.

Even as details on the long-awaited roll back of hefty subsidies remain scarce, the central bank anticipates that inflation, which had been below 2% since September, may average as much as 3.5% this year on the potential impact of the subsidy reforms.

"How do we then proceed to undertake this reform without punishing the poor?" Anwar said "That, to my mind, is very central."

Analysts at Citigroup Inc expect a "meaningful rise" in the risk of an interest-rate hike later this year should Malaysia begin cutting fuel prices in July.

Malaysia's central bank last adjusted borrowing costs a year ago, placing it at a record differential to the Federal Reserve. That's weighed on the ringgit, which dipped to a 26-year-low in February.

Anwar Ibrahim, Malaysia's Prime Minister, at the Qatar Economic Forum (QEF) in Doha on Tuesday.

QSE and Edaa Qatar oversee first onshore SLB transaction in Qatar

Qatar Stock Exchange (QSE) and Edaa Qatar yesterday oversaw the first ever onshore securities lending and borrowing (SLB) transaction in Qatar.

HSBC acted as custodian and agent lender for this transaction, while QNBFS acted as the borrower.

"This marks the beginning of a new era for QSE as this will allow investors and traders to execute sophisticated investment strategies, hedge their portfolios as well as gain access to securities financing in the local market," said Abdulaziz al-Emadi, acting chief executive officer of QSE.

This, according to him, unlocks a "significant" liquidity pool and should help attract new types of investors in the Qatari market.

The transaction marks a key milestone for the Third Financial Sector Strategic Plan launched by the Qatar Central Bank in November 2023, which aims to further develop the financial sector in Qatar as part of the Qatar National Vision 2030.

The plans includes capital markets as one of its central pillars of putting in place the market access infrastructure and a regulatory environment aligned with that in developed markets to further increase the size and liquidity of the Qatari market.

"With this first of its kind transaction in Qatar, Edaa is proud to enable the market infrastructure to conduct such value-added transactions for its customers. We will continue to work with our customers to further develop the use of securities lending and borrowing for securities financing purposes," said Edaa chief executive officer Sheikh Saif bin Abdullah al-Thani.

With this transaction, HSBC celebrates its long-standing partnership with QSE starting in 2004 when the country opened for foreign investment into its equity markets.

"With our on-the-ground expertise and deep local knowledge, we're proud to have structured this transaction. We expect this will help attract more investors into the Qatari market and therefore help us connect global clients with opportunities in Qatar and vice versa, as we have for over 70 years," Abdulhakim Mustafawi, chief executive officer of CEO HSBC Qatar, said.

Qatar's opening up of its capital markets to securities lending for the first time not only allows HSBC to help asset owners receive potentially higher returns from their Qatari equity investments, but also facilitates more liquidity into the market and enhance price discovery, according to Adnan Hussain, global head of agency securities lending, HSBC.

"It was the first securities lending transaction in the Qatari market, and shall improve the efficiency of our market making activity. We further plan to offer this to our qualified investor clients that can benefit from new trading strategies on QSE that were not possible before," said Maha al-Sulaiti, acting chief executive officer of QNBFS.

A well-functioning SLB activity, along with hedging tools including derivatives, is a key criterion for developed market status by international index providers such as MSCI and FTSE Russell.

"This marks the beginning of a new era for QSE as this will allow investors and traders to execute sophisticated investment strategies, hedge their portfolios as well as gain access to securities financing in the local market," said Abdulaziz al-Emadi, acting chief executive of QSE.

China vows 'resolute measures' after Biden's new tariffs

Bloomberg
Hong Kong/Washington

China blasted the Biden administration's move to increase US tariffs on a wide range of Chinese imports, vowing to take its own action, without giving specifics.

"China will take resolute measures to safeguard its own rights and interests," the Ministry of Commerce said in a statement on Tuesday. "The US should immediately correct its wrong actions and cancel the additional tariff measures against China."

President Joe Biden is hiking tariffs on imports from China including semiconductors, solar cells, and critical minerals, with rates ranging from 25% for batteries to 100% for electric vehicles. The announcement was the culmination of a review of predecessor Donald Trump's tariff increases — none of which were rolled back.

China called the additional tariffs "political manipulation," with the move coming ahead of the US elections this year.

In response to Trump's tariff hikes from 2018 onwards, Beijing often attempted a tit-for-tat approach — trying to match the size and scope of US measures. But analysts expect a more limited response this time.

"Beijing's direct retaliation against the US will avoid sharp escalation," predicted Michael Hirson, a former US Treasury official who now heads China analysis at 22V Research. "Actions that lash out at prominent US firms or ramp up supply-chain restrictions, such as limiting exports of critical minerals, would hurt Xi's efforts to shore up domestic and international confidence in China."

President Xi Jinping in recent months has led efforts to bolster waning foreign investment in China. Hirson added that "China's leadership will also seek to avoid actions that make China the centre of the US presidential campaign."

US measures announced are themselves limited — which may help to contain Beijing's response, according to Tobin Marcus and Chutong Zhu at Wolfe Research in New York.

Biden's tariff hikes only amount to an 8% increase in "total exposed import volume" from China, and the phase-in periods "will mitigate impact," they wrote in a note.

"We expect there will be some Chinese response, but that Beijing will aim for proportionality, which means the US fallout should be limited," Marcus and Zhu wrote.

Biden is trying to balance looking tough on China and vowing to protect US jobs without destabilising the domestic economy or inflaming inflation.

Last month, he vowed 25% tariffs on Chinese steel and aluminium that were largely toothless, as the Asian nation sells little of either metal to America.

For her part, Treasury Secretary Janet Yellen on Monday said, ahead of the tariff announcement, that "hopefully we will not see a significant Chinese response — but that's always a possibility."

What EU sanctions on Russian LNG would mean for global gas

Bloomberg
London

Since the start of Russia's invasion of Ukraine, Europe and its allies have looked for ways to curb Moscow's fossil fuel revenues without inflicting higher energy costs on their own citizens. The latest plan: ban use of European Union ports for re-exporting liquefied natural gas.

Russian producer Novatek PJSC relies on stopovers in the EU to move Arctic fuel from ice-class ships onto conventional tankers. While choking off its access won't prevent cargoes from reaching Europe — where LNG imports from Russia have actually increased in the aftermath of the war — it will make it harder to send them onward to third countries in Asia, potentially angering key buyers such as China or India.

EU policymakers are discussing the move as part of their 14th package of sanctions against Russia. While it isn't an outright ban, it would mark the first time Europe enforces concrete measures against Russian LNG.

If approved, the measure may lead to even more Russian fuel circulating in Europe. It would also likely trigger contractual challenges for European logistics firms and political backlash from other gas-buying nations.

What exactly will be sanctioned?

To optimise shipping costs, the Arctic-based Yamal LNG project — led by Novatek — relies on the ports of Zeebrugge in Belgium and Montoir in France to transfer cargoes from its 15 ice-class vessels onto conventional tankers. Typically, an arriving ship discharges at the terminal and a standard LNG carrier loads at about the same time. That will no longer be possible under the ban.

For Yamal LNG, the stopovers are necessary to allow highly-specialised vessels to return to the Arctic plant, where conditions are too harsh for regular ones. Ship-tracking data indicate that up to eight Russian cargoes are transshipped in Europe in some months, although the number varies and drops significantly during summer and autumn, when the Northern Sea Route across the Arctic has less ice and provides faster access to China.

What will it mean for European LNG purchases?

EU imports of Russian LNG totalled 14.4mn tonnes last year, according to consultant Energy Aspects Ltd. Transshipments, where the fuel is transferred, made up 2mn tonnes. A likely scenario is that a ban will lead to those extra volumes remaining in the bloc, where Russian LNG already holds a share of about 13%.

For example, Novatek could unload cargoes meant for Asia in Europe and use locational swaps, said James Waddel, head of European gas and global LNG at Energy Aspects. This means it would source gas elsewhere to supply Asian customers.

As a result, that "would open up European governments to accusations that they are turning up their Russian LNG supply while claiming they are trying to minimise it," Waddel said.

Will Russian LNG production suffer?

The sanctions would further complicate shipping logistics for Russia and force specialised vessels to travel over longer routes. Global fleets are already avoiding the Red Sea after attacks by Yemen's Houthis, forcing journeys to reroute around Africa.

Taking Yamal LNG cargoes directly to Asia would raise freight and logistics costs, according to Energy Aspects, and also tie up the icebreakers for longer.

Russia does have some alternatives: it conducts ship-to-ship transfers near its northern city of Murmansk, which it could use to free up vessels. It can also make use of its Northern Sea Route during summer when ice melts and a variety of ships can access the plant.

If alternative shipping arrangements fail, Russian LNG exports may be reduced. But the country has been pretty resourceful in getting around Western sanctions on oil.

What will the ban mean for Asian customers?

Russian LNG exports to Asian buyers could decline or become more expensive to account for higher freight costs, according to Energy Aspects. In an extreme scenario, "if Novatek were unable to reconfigure its logistics and Russian LNG exports were shut in, Europe would be disrupting a Russian supply contract with China for 3mn tonnes per year, which may generate a political backlash from China," Waddel said.

Relying on the Northern Sea Route or Murmansk transshipment would also depend on ice conditions, shifting supplies to Asia to the second half of each calendar year, he added.

How would European companies be impacted?

European companies such as Germany's state-owned Securing Energy for Europe GmbH, Shell Plc and TotalEnergies SE rely on transshipments in Zeebrugge and Montoir for Yamal cargoes, according to a contract base published by the global importers' group.

Those contracts won't expire until 2038 and 2041, potentially opening the door to force majeure notices or contractual disputes if transshipments are banned.

SEFE, for example, needs Yamal LNG volumes transshipped in Zeebrugge to serve its long-term contract with India's GAIL Ltd. The chief of the German company told Bloomberg earlier this year that Yamal supplies could stay on the continent if it's cheaper logistically, while supplying GAIL from other sources. SEFE said it's monitoring the developments and declined to comment in detail on the potential impact of the sanctions package.

Will there be other losers?

One of the biggest losers might be Fluxys SA, which operates the Zeebrugge LNG terminal. The company built a dedicated storage tank at the terminal to service a 20-year contract with Yamal Trade, a trading arm for Yamal LNG.

The terminal may announce a force majeure in case of sanctions on transshipments, or face penalties as high as €1bn ($1.1bn) if it cannot provide Yamal Trade the service for the remainder of the contract's duration, according to one market estimate. A Fluxys spokesperson said it's unclear what exactly will be covered by the sanctions, and therefore impossible to estimate the exact impact.

BUSINESS

Qatar Chamber takes part in 'World Entrepreneurs Investment Forum' in Bahrain

Qatar Chamber has participated in the activities of the 5th World Entrepreneurs Investment Forum (WEIF), which is being held in Manama until May 16 in conjunction with the 33rd Arab Leaders Summit.

The chamber's delegation, led by board member Abdulrahman bin Abduljaleel al-Abdulghani, included board member Abdulrahman al-Ansari and acting general manager Ali Bu Sherbak al-Mansouri.

The delegation also included Noora al-Awlan, director of the Research and Studies Department, and Alsayed Rajab, adviser to Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani.

Held under the theme 'Achieving the SDGs through Fostering Innovation and Economic Growth', the forum was organised by the General Secretariat at the UNIDO Investment and Technology Promotion Office in Bahrain, in partnerships with the League of Arab States, the Ministry of Industry and Commerce in Bahrain, the Union of Arab Chambers, the Arab Bank for Economic Development in Africa, the Bahrain Chamber of Commerce, and a number of local, regional, and international partners.

Al-Abdulghani said the forum aims to support sustainable development by enhancing innovation and stimulating economic growth. He also stressed the vital role that entrepreneurs play in diversifying the economy and promoting sustainability, as well as enhancing innovation, which is essential for transitioning to a knowledge-based economy.

Al-Abdulghani further highlighted the chamber's interest in supporting entrepreneurs, helping them start their businesses and facilitating their participation in exhibitions, both domestically and internationally, that the chamber organises or takes part in.

The WEIF was opened by the Abdullah bin Adel Fakhroo, Bahrain's Minister of Industry and Commerce, while the executive secretary of the Economic and Social Commission for Western Asia (ESCWA), as well as Maria Fernand Garza, chairperson of the International Chamber of Commerce, spoke at the opening ceremony via video conference technology.

The forum's working sessions addressed a number of topics, such as building sustainable partnerships and creating a brighter future for Arab and African entrepreneurs. They also dealt with sustainable smart financial inclusion, entrepreneurship, and innovation-enabling ecosystems, and investment pathways to achieve the SDGs.

Members of the Qatar Chamber delegation during the opening session of the forum.

The award presented by Visa, a world leader in digital payments, recognises QNB's efforts in recording the highest growth in 'Tap to Phone' volume and transaction in Qatar for 2023, and further reinforces QNB's leadership in Qatar and the region in expanding digital payment acceptance network and fostering innovation in line with the Qatar Central Bank's vision for the payments industry

QNB is recognised for 'highest growth' in 'Tap to Phone' solution

■ The largest financial institution in the Middle East and Africa gets award in support of SMEs, micro-merchants transactions in Qatar

QNB, the largest financial institution in the Middle East and Africa, was awarded for its "exceptional milestone" in enabling local SMEs and micro-merchants in Qatar to accept digital payments through Visa's 'Tap to Phone' solution.

The award presented by Visa, a world leader in digital payments, recognises QNB's efforts in recording the highest growth in 'Tap to Phone' volume and transaction in Qatar for 2023, and further reinforces QNB's leadership in Qatar and the region in expanding digital payment acceptance network and fostering innovation in line with the Qatar Central Bank's vision for the payments industry.

QNB's 'Tap to Phone' is an innovative solution from Visa that allows merchants to use their existing android mobile devices to accept digital payments via Near Field Communication (NFC), with zero dependency on Point of Sale (PoS) hardware.

It is a low cost, low maintenance and paperless solution for merchants to accept multi-form electronic payments including mobile wallets, contactless cards and wearables. QNB has been working closely with SMEs and micro merchants in this regard and the response has been extremely encouraging.

Commenting on this success, Adel Ali al-Malki, senior executive vice-president, QNB Group Retail Banking said, "We are pleased to be recognised by Visa for our industry-leading role in the digital economy, specifically in the digital payment acceptance. QNB is fully committed to further accelerate the digital payments journey and enable our merchant partners to migrate into the digital economy in a fast, seamless and cost-effective way for payment acceptance.

"We recognise that SMEs play a pivotal role in the economy and we are thankful to Visa for being a true strategic partner in our joint-quest to further digitise Qatar's economy".

Shashank Singh, Visa's vice-president and general manager for Qatar and Kuwait, said, "Visa is proud to recognise QNB's leadership in enabling more SMEs and micro-merchants in Qatar to accept digital payments. Our recent Value of Acceptance study revealed that 80% of merchants in Qatar have seen their revenues increase thanks to digital payments.

"QNB's efforts are not only making more transactions more seamless and secure for consumers, but also helping local businesses grow and be competitive in the digital economy, a key priority of the Qatar government."

Ooredoo set to land world's largest subsea cable system

Ooredoo Oman, an Ooredoo Group company, has signed an agreement for the landing of the 2Africa Cable System in Barka and Salalah.

This agreement marks the most extensive subsea cable system landing in Oman to date. The 2Africa Cable System, spanning 45,000km, will be the largest subsea cable system in the world. Upon completion, it will impact over 3bn people from 33 countries in Africa, Asia, and Europe.

The 2Africa consortium consists of Bayobab, center3, China Mobile International, Meta, Orange, Telecom Egypt, Vodafone Group, and WIOCC, while Alcatel Submarine Networks is handling the manufacturing and installation of the cable.

Bassam Yousef al-Ibrahim, CEO of Ooredoo Oman, said: "After previously landing SMW-5 and TGN Gulf in Oman, landing the 2Africa cable represents a further step in our vision to be the neutral partner of choice for landing submarine cable systems and supporting Ooredoo to become a truly global connectivity player in the coming years. Extending our reach regionally and internationally is a key focus for Ooredoo and a central goal of our strategy."

The selected gateways for these landings are Salalah, emerging as a major new submarine cable landing hub in the southern part of Oman, and Barka, situated in Muscat, the capital city.

Ooredoo Oman will undertake the development of a completely new build landing infrastructure for both Barka and Salalah, with a commitment to its maintenance in the coming decades. This new infrastructure will be entirely different from any other submarine cable system currently landing in Oman, ensuring robust connectivity and access for all operators in the country.

Najib Khan, Group Chief Business Services officer, Ooredoo, said: "Navigating the complex web of global connectivity demands innovative solutions. The landing of the 2Africa Cable System in Oman not only strengthens our commitment to providing robust connectivity but also positions Ooredoo as a leading player in the global telecommunications landscape, ready to meet the evolving needs of our customers."

Opec sticks to oil demand view, shifts key forecast to Opec+

Opec stuck to its forecast for strong growth in global oil demand in 2024 on Tuesday and said it would switch to focus on projected demand for Opec+ crude, reflecting that the wider group is now the main forum for co-operation in the market, reports Reuters.

The Organisation of the Petroleum Exporting Countries, in a monthly report, said it expected world oil demand to rise by 2.25mn barrels per day (bpd) in 2024 and by 1.85mn bpd in 2025. Both forecasts were unchanged from last month.

This is the last report before Opec+, which groups Opec and allies led by Russia, meets on June 1 to decide whether to extend voluntary oil output cuts into the second half of the year. Opec sounded an upbeat tone on the economic outlook.

"Despite certain downside risks, the continued momentum observed since the start of the year could create additional upside potential for global economic growth in 2024 and beyond," Opec said in the report.

Opec+ has implemented a series of output cuts since late 2022 to support the market. The latest cut of 2.2mn bpd is in place until the end of June unless it is extended, as some Opec+ sources have said it could be.

There is a wider than usual split between forecasters on the strength of oil demand growth in 2024, partly due to differences over the pace of the world's transition to cleaner fuels.

The International Energy Agency, which represents industrialised countries and forecasts oil demand will peak by 2030, sees an expansion of 1.2mn bpd and is scheduled to update its figures on Wednesday. Opec believes oil use will keep rising for the next two decades and has not forecast a peak.

Opec also said it would stop publishing a calculation of the world's demand for its own crude — a figure watched as an indicator of market strength — and would focus on demand for oil from Opec+.

The move "demonstrates solidarity and unity" within the Opec+ framework, Opec said, as well as removing the "potential for misunderstanding." Opec+ has been working together since 2016 through a pact called the Declaration of Co-operation (DoC).

UDC receives 'Best CSR Initiative in Qatar Real Estate Sector' award

United Development Company (UDC), a leading real estate company and master developer of The Pearl Island and Gewan Island, received the prestigious award for 'Best CSR Initiative in the Real Estate Sector in Qatar' for the second consecutive year.

The recognition was officially announced during the Qatar CSR Summit's awards ceremony held recently, which honoured UDC's outstanding commitment and dedication towards corporate social responsibility (CSR).

UDC's CSR strategy is built upon four pillars: responsibility towards employees, community engagement, environmental sustainability, and adherence to corporate governance standards. The comprehensive approach reflects UDC's commitment to aligning economic, social, and environmental objectives with operational strategies that prioritise CSR within Qatar.

UDC's commitment to sustainability extends to its certifications for Integrated Management System Policy and Environmental Management System (ISO 14001:2015). These certifications ensure rigorous assessment of operational CO2 reduction and environmental impacts, showcasing UDC's dedication to environmental stewardship.

UDC has also contributed significantly to environmental conservation. The treatment and supply of treated sewage effluent for irrigation purposes have conserved 14,153,617 cbm of water, promoting green areas and enhancing road beautification efforts at The Pearl Island and Gewan Island.

UDC's initiatives also include employee tree planting programmes at The Pearl Island, resulting in the planting of 160 trees. Furthermore, UDC has recycled over 37% of community and retail waste, including plastics, paper/cardboard, aluminium cans, e-waste, and batteries, amounting to 2.3 tonnes of plastic waste recycled into useful goods.

The Collec'Thor sea cleaners' project, launched during World Environment Day in 2023, further demonstrates UDC's commitment to marine conservation. To date, this project has collected 1,304.98 cbm of waste, contributing to cleaner waters and marine species protection at The Pearl Island.

Additionally, UDC's rigorous studies on marine biodiversity have resulted in optimal ecological gains, ensuring minimal impact on the local marine ecosystem.

UDC's exceptional Environmental, Social, and Governance (ESG) performance is reflected in its overall 94% score in the disclosed ESG report to the Qatar Stock Exchange. With a focus on climate change, pollution, natural resource conservation, social justice, biodiversity, and equality, UDC continues to prioritise sustainability and ESG principles in line with Qatar Stock Exchange requirements.

With accolades like the 'Best CSR Initiative in the Real Estate Sector', UDC remains steadfast in its pursuit of excellence in CSR, aligning economic, social, and environmental objectives with operational strategies for enhanced environmental sustainability and societal well-being.

The recognition was officially announced during the Qatar CSR Summit's awards ceremony held recently, which honoured UDC's outstanding commitment and dedication towards corporate social responsibility

More than 1,000 corporate, government leaders attending Qatar Economic Forum 2024

HE the Prime Minister and Minister of Foreign Affairs Sheikh Mohamed bin Abdulrahman bin Jassim al-Thani delivers the opening address at the Qatar Economic Forum (QEF) in Doha yesterday. More than 1,000 corporate and government leaders arrive in Qatar this week for an economic gathering in a city to which all roads have led over the past year.

Andrzej Duda, Poland's President, at the Qatar Economic Forum (QEF) in Doha yesterday.

Anwar Ibrahim, Malaysia's Prime Minister, right, at the Qatar Economic Forum (QEF) in Doha yesterday.

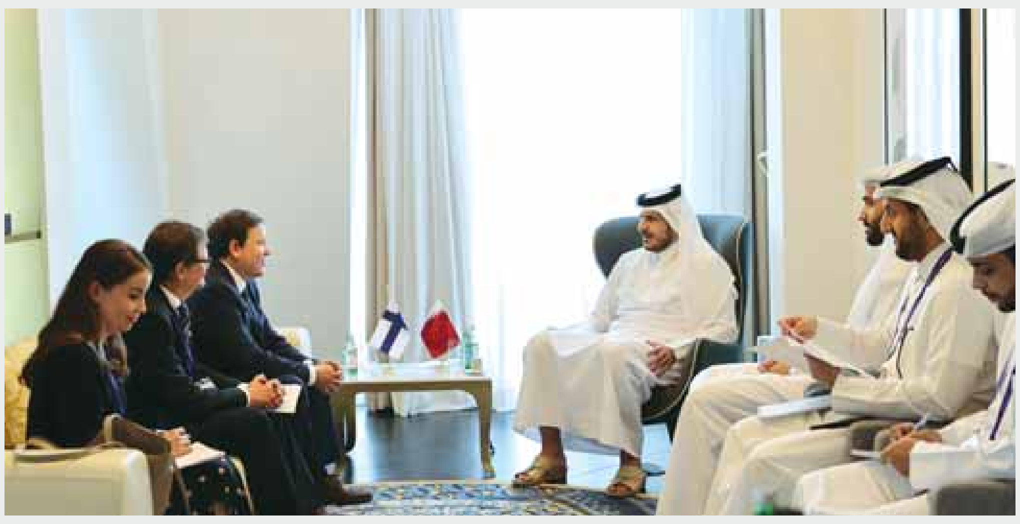
Attendees in the plenary hall at the Qatar Economic Forum (QEF) in Doha yesterday.

Jacqueline Simmons, executive editor at Bloomberg LP; Steffen Meister, chairman of Partners Group Holding AG; Noel Quinn, CEO of HSBC Holdings Plc; and Rohit Sipahimalani, chief investment officer of Temasek Holdings Pte (***left to right***), at the Qatar Economic Forum (QEF) in Doha yesterday.

Attendees at the Qatar Economic Forum (QEF) in Doha yesterday.

Haslinda Amin, anchor at Bloomberg Television; Maryam Buti al-Suwaidi, chief executive officer of the Securities and Commodities Authority (SCA); Jim Coulter, co-founder of TPG Holdings LP; Njunguna Ndung'u, Kenya's treasury secretary; and Samaila Zubairu, chief executive officer of Africa Finance Corporation (***left to right***), at the Qatar Economic Forum (QEF) in Doha yesterday.

Sheikh Mohamed meets Finnish minister of foreign trade and development



HE the Minister of Commerce and Industry Sheikh Mohamed bin Hamad bin Qassim al-Thani met yesterday with Minister for Foreign Trade and Development of the Republic of Finland Ville Tavio, on the sidelines of the fourth Qatar Economic Forum, Powered by Bloomberg. The meeting discussed topics of common interest in aim of enhancing co-operation between the two countries in commerce, investment, and industry, in addition to exchanging views on topics on the forum's agenda. During the meeting, Sheikh Mohamed highlighted Qatar's economic policies that proved successful in supporting the private sector, reviewing incentives, legislations, and opportunities available in the country that aim to encourage investors and businessmen to invest in Qatar.

Sheikh Mohamed meets Philippine counterpart

HE the Minister of Commerce and Industry, Sheikh Mohamed bin Hamad bin Qassim al-Thani, met yesterday with Secretary of the Department of Trade and Industry of the Republic of the Philippines, Alfredo E Pascual, on the sidelines of the 4th Qatar Economic Forum, Powered by Bloomberg, reports QNA. They discussed topics of common interest aimed at enhancing bilateral cooperation across areas of trade, investment and industry and exchanged views on topics on the forums agenda. HE Sheikh Mohamed highlighted the State of Qatar's successful economic policies to support the private sector, including the incentives, legislation and promising opportunities available in the country aimed at motivating investors, businessmen and company owners to invest in the State of Qatar.

QIA to invest in data centres, software linked to AI, tourism and healthcare as it widens investment portfolio

By Santhosh V Perumal
Business Reporter

The Qatar Investment Authority (QIA) is focusing on five themes such as AI (artificial intelligence), climate change, tourism, healthcare and supply chain as it widens its global investment portfolio, according to its chief executive officer Mansoor Ebrahim al-Mahmoud.

Addressing a panel session at the Qatar Economic Forum (QEF), Powered by Bloomberg, he said the sovereign wealth fund will invest in data centres, data categorisation, software applications linked to AI and chipmakers.

"We are investing and we are not stopping but winner in these sectors is still not clear for most of the investors," he said.

Stressing that AI technology is still in its infancy despite generating a lot of interest; he said some aspects are very clear as it has a business model like data centre and chips.

The QIA had announced it would anchor an investment commitment in Ardian Semiconductor, a fund established by French private equity investment company Ardian.

Semiconductor and its supply chain remain a key investment area for the QIA across all regions. Notable recent investments by the QIA in this value chain include Kokusai Electric Corporation by taking a minority stake in June 2023.

Highlighting that the QIA would continue to deploy money into China as current prices provide an attractive entry point, al-Mahmoud said: "We have an allocation for China and we are focused on consumer related industries."

The QIA is focused on five main themes and he said one of them is digitisation and AI. The other trendy investment type is related to climate, he added.

The growing middle class segment during the last cycle had led to a lot of wealth being accumulated; he said referring to the potential in the tourism sector.

On investment in infrastructure, al-Mahmoud said the needs are large as the sector is becoming important for the fact that the governments are trying to get the private sector involved for more efficiency.

Canada's Brookfield Asset Management said it is investing $10-12bn to build 10.5 gigawatts of renewable energy for Microsoft over the next five years, Bruce Flatt, the investment firm's chief executive officer, said.

The companies had entered into a pact this month, which is slated to contribute to Microsoft's goal of matching all of its electricity consumption with zero-carbon energy purchases by 2030.

Lei Zhang, Founder and Chairman of Hillhouse, said it was open to investments in private credit in Asian markets.

Jenny Johnson, President and CEO of Franklin Templeton, discussed investment opportunities in regions benefiting from current economic trends.

QIA Chief Executive Officer Mansoor Ebrahim al-Mahmoud; Bruce Flatt, CEO of Brookfield Asset Management; Jenny Johnson, President and CEO of Franklin Templeton; and Lei Zhang, Founder and Chairman of Hillhouse at one of the panel discussions at QEF 2024, Powered by Bloomberg. **PICTURE:** Thajudheen

Call for supporting energy shift to reach global net-zero targets

QNA
Doha

Panellists in a session of the Qatar Economic Forum stressed the importance of energy shift and reliance on advanced technological techniques to enhance the efficiency and feasibility of energy solutions, contribute to addressing the carbon footprint, move the global economy to zero emissions that reduce climate risks, and avoid unexpected disasters that may result from massive emissions.

This came in the "Financing the Shift to Zero" session, moderated by Haslinda Amin, Chief International Correspondent, Southeast Asia and Anchor, Bloomberg Television, with the participation of Dr Maryam Butti al-Suwaidi, CEO of the Emirates Securities and Commodities Authority; Jim Coulter, co-founder and CEO of TPG; and Samaila Zubairu, President and CEO of the Africa Finance Corp.

The session's participants called for the creation of financing programs and financial funds, redirecting capital towards reducing the footprint of industrial sectors that cause greenhouse gases, and supporting efforts to shift towards clean and renewable energy.

They highlighted the extent to which the world needs radical solutions to address the new climate reality, how to remove project risks, appropriate mechanisms to put net-zero goals back on track, and ways to enhance co-operation between investors and sustainable business leaders to do so.

The panellists stressed the need to support technical and innovative investments in this field to bridge the gap and disseminate advanced technologies on a large scale with the aim of overcoming the challenges and risks that may halt their progress as well as stimulating co-operation between the relevant parties.

The participants pointed out that the world is in a race to confront climate issues in order for everyone to survive, especially since the issue of reducing greenhouse gases is a collective responsibility that requires concerted efforts to reduce their dangerous emissions, and addressing them plays an important role in stimulating global economic growth.

They called for expanding the establishment of solar and wind farms and pushing the shift towards them and investment in them, given their economic importance and in achieving environmental and geological recovery, while highlighting the necessity for developing legislation and plans to ensure this shift taking into account the requirements of environmental sustainability.

They also called for developing programs for nuclear safety and its safe uses to reduce carbon dioxide, financing renewable energy projects around the world, establishing funds to undertake this goal, drawing a clear plan for the paths of the energy shift, attracting investors and drawing attention to the importance of innovation in it, and developing appropriate solutions to confront its challenges.

GCC willing to take every step possible to be business-friendly: Al-Jadaan

By Santhosh V Perumal
Business Reporter

The Gulf Co-operation Council (GCC) has long-term plans and is "willing to take every step possible" for investors to do business in the region, which has become a bright spot in the world, according to Mohamed al-Jadaan, Saudi Arabia's Finance Minister.

"We are willing to take every step possible to make it easier for investors to do business in the region, that we are willing to do a lot of structural changes, including actually making it very predictable," he told the Qatar Economic Forum, Powered by Bloomberg.

Highlighting that resource richness brings with it the dependence on oil revenues, he said the region is now marching towards a proper sustainable diversified economy that enables the private sector, utilises the demography of young population who are technology savvy and who can be inventors, entrepreneurs and investors of the future.

Speaking at a panel "Reshaping Middle East Economies" at the forum in Doha, he asked policy makers to optimise the strategies to curb "economic leakage" and prevent resources or fund from being wasted.

Suggesting prudent fiscal policies, he said spending at a time of global inflation results in increased project costs, which would further fuels inflation and "overheat" economy.

He said Saudi Arabia's gross domestic product has risen more than 15% since the launch of 2030 vision, which was launched well before the Covid-19 pandemic, and issues like inflation and supply chain disruptions.

"All of these collective shocks that are facing the world calls us also to reprioritise, to look at what we are doing, and how can we actually optimise what we are doing, optimize our plans," al-Jadaan said.

"We are not complacent, we need to push through the momentum of reforming the economy," he said, adding Saudi Arabia has adopted a conservative approach when it comes to oil revenues.

On Saudi Arabia's ability to fund large-scale projects amid lower oil prices, he said the country has been "conservative" in its economic projections.

Saudi Arabia closed 2023 with oil revenue higher than projected at the beginning of the year, despite a 20% drop in crude prices and 17% production, he said.

"[This] basically tells you that we are not optimists when it comes to projecting and therefore committing our spent to what the revenue is. We are very conservative," he added.

Mohamed Sulaiman al-Jasser, chairman of the Islamic Development Bank Group, said resilience is probably now what distinguishes the GCC economies, which is seen by the outside world as one bloc that has cohesive and complementary policies to really be a beacon of economic growth and development not for the region but also beyond.

"Resilience, I think is very important, and the GCC countries seem to be together moving in that direction and now they are much greater believers in their own abilities, he said.

"Our demographics are not talked about enough. Our demographics are probably our greatest asset - even more than oil for the GCC," he said, highlighting the transformative changes in the Gulf since the discovery of oil and the investments in education and human development made by the GCC.

Saudi Arabia's Finance Minister Mohamed al-Jadaan attends a session at the Qatar Economic Forum in Doha yesterday. Speaking at a panel "Reshaping Middle East Economies" at the forum, he asked policy makers to optimise the strategies to curb "economic leakage" and prevent resources from being wasted.