

Partnerships and growth in Qatar



QATAR

By Amjad Hussain

The Qatar Financial Centre (QFC) is seeking to strengthen trade and business relationships between Russia and Qatar, particularly in the digital, sports, media and financial services sectors. The QFC was part of the Qatari delegation participating in the 24th St Petersburg International Economic Forum (SPIEF), which included over 50 Qatari public and private entities.

The QFC signed MoUs with a number of Russian entities, including the Internet Initiatives Development Fund and the Roscongress Foundation, among others. We expect to see an increased number of Russian firms setting up businesses under the QFC platform over the next few months.

In a recent press release, the governor of the Qatar Central Bank (QCB), Sheikh Abdullah Saud Al Thani, noted that Islamic finance in Qatar is developing through rules and regulations that are continuously being updated to ensure that the Islamic finance sector maintains a competitive advantage in the region and internationally.

Earlier this month, in Bait Al Mashura Finance Consultation's 'Islamic Finance in Qatar' report, the QCB governor stated that: "Islamic finance assets in Qatar amounted to QAR528 billion (US\$144.83 billion), 86% out of which are Islamic bank assets; existing Sukuk accounted for 12%; assets of Takaful insurance companies accounted for approximately 1%; and assets of investment funds and other Islamic financial institutions accounted for approximately 1%." The governor also addressed the potential merger between Masraf Al Rayan and Al Khalij Commercial Bank, commenting on its positive impact on the strength of Qatari Islamic banks.

Bait Al Mashura's report highlighted that in 2020, the assets and deposits of Islamic banks in Qatar rose by 8.4% and 8.7% respectively, while financing in the government, semi-government, real estate and personal finance sectors rose by 7.9%.

In other news, Qatar Islamic Bank (QIB) was ranked as the second top listed



company in Qatar and the 18th top listed company in the region by Forbes Middle East Magazine's annual rankings of the top 100 listed companies in the region for 2021. Forbes Middle East considered four main ranking factors: market value, sales, assets and profits.

Furthermore, Moody's Investors Service has confirmed QIB's long-term deposit

rating as 'A1', noting that: "This performance is supported by the strong financing growth, which itself reflects the increasing penetration of Shariah compliant assets in Qatar, and robust and improving cost efficiency."⁽²⁾

Amjad Hussain is a partner at K&L Gates. He can be contacted at Amjad.Hussain@klgates.com.

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