



# Cyber Security Export Market: Qatar

## 2014

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# EXECUTIVE SUMMARY

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- » Located in the Middle East, the State of Qatar (Qatar) continues to allocate resources to defense and security initiatives. Within this realm, the latest issue is cyber security. Driving the focus on cyber security is Qatar's quest to diversify its economy through its information and communications technology (ICT) agenda.
- » Qatar is hosting the FIFA (football) World Cup in 2022, which has spurred investment in infrastructure development. By some estimates, the total investment will be up to \$200 billion<sup>1</sup>. This has increased demand for all types of security services in Qatar.
- » The projects market in Qatar has increased by 26.2 percent already on year to \$221 billion in 2013
- » The United States (US) International Trade Administration and the US Commercial Service have identified Qatar as a suitable market for cyber security exports because of its current and future opportunities<sup>2</sup>.
- » Qatar's information technology regulatory body ictQATAR ranks cyber security in this sector as a top priority.
- » Exports to Qatar could take the form of hardware and equipment but great opportunities also lay in cyber security services. The US Commercial Service identifies the following as some of the areas in security, which provide export opportunities for US exporters: access control, computer security, integrated security systems, electronic safety, intrusion detection equipment, communications systems, forgery, fraud, and building management systems<sup>3</sup>.
- » What enhances the possibilities for exports to Qatar is its stable political milieu, a wealthy government, a healthy budget generated by its energy revenues and a low level of civil unrest and crime. Although Qatar's political economy is based on different ideologies from those that inspire the US system, there is significant presence of foreign businesses from the Western nations in Qatar.
- » The government of Qatar does not disclose complete data on security purchases, which makes it difficult to present accurate figures on market growth. However, there is plentiful information on trends, past records and plans, which allows us to make a solid assessment of the opportunities available for exports.

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<sup>1</sup> (UKTI, 2013)

<sup>2</sup> (Information based on email communication with US Commercial Officer in Doha and US ITA, 2013)

<sup>3</sup> (US ITA Safety and Security guide, 2013)

# CYBER SECURITY MARKET

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From 2008-2012, Qatar was the world's fastest growing economy<sup>4</sup> with a real growth rate of 12 percent. Like some of its neighbors, Qatar's economy of 1.9 million people runs on income from the energy sector, particularly oil and gas reserves. The government is the largest employer in the country, employing almost 84 percent of the labor force<sup>5</sup>. Due to the country's small size, government expenditures generate a significant part of the gross domestic product. There is considerable opacity in the national budget and published information often conceals government spending on military and defense projects.

There are many economic reasons why Qatar is vulnerable to cyber-attacks.

- » The global energy sector is often targeted by hackers. Like the other Gulf nations, Qatar is trying to increase foreign investment in non-energy industries to mitigate some of this risk.
- » Qatar is increasingly dependent on the ICT sector
- » Qatar boasts of the highest per capita income in the world at well over \$102,000 (2012); and
- » Qatar will host the football (soccer) FIFA World Cup in 2022. It plans to invest heavily in infrastructure (between \$200-300 billion<sup>6</sup>) which would need to be protected from serious disruption.

## CYBER SECURITY RELATED TRENDS: TECHNOLOGICAL ENVIRONMENT

There are certain trends such as the increased penetration of technology in society, government expenditures and so on, which increase the demand for cyber security services.

Qatar plans to diversify its economy by focusing on the ICT sector. The contribution of the ICT sector to the economy increased to 33 percent between 2008 and 2012, in line with Qatar's National ICT Plan 2015<sup>7</sup>. The country leads the other Arab nations in the World Economic Forum's Network Readiness Index and the International Telecommunication Union's (ITU) 2012 ICT Development Index rankings. Broadband penetration and e-government initiatives have been expanding consistently. Broadband usage is high at over 70 percent. In the fiscal year 2010-2011 alone, the government allocated approximately \$9.7 billion to infrastructure spending including ICT<sup>8</sup>. Based on estimates, Qatar's cellular market grew by 12 percent to \$1.5 billion. The nation expects to double this number by 2015<sup>9</sup>. Its mobile penetration is 167 percent, one of the highest in the world, which is at an average of 76 percent<sup>10</sup>. Investment by private and public sources in the ICT sector was \$2.1 billion in 2010<sup>11</sup>.

While these indicators show economic progress, they also pose as risks because Qatar's cyber space and reliance on information technology is steadily increasing. The National ICT Plan 2015 revealed an 'ICT Skills Deficit'<sup>12</sup> in fully developing the ICT infrastructure. Intuitively, that indicates a shortage of expertise to secure the ICT systems as well. The country has made considerable strides since it established the ICT regulatory body, the Supreme Council of Information and Communication (ictQATAR) in 2004. It also developed the National ICT Plan 2015, the National Vision 2030 and the National Develop-

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<sup>4</sup> (QNB, 2013)

<sup>5</sup> (QNB, 2013)

<sup>6</sup> (Global Insight Country Intelligence Report, Qatar, 2013)

<sup>7</sup> (ICT Qatar Annual Report, 2012)

<sup>8</sup> (ictQATAR, 2011)

<sup>9</sup> (Ibid)

<sup>10</sup> (National ICT Plan 2015, p. 7)

<sup>11</sup> (National ICT Plan 2015)

<sup>12</sup> (National ICT plan 2015, p. 8)

ment Strategy 2011-2016 - all of which point to a unified purpose of creating a strong, knowledge economy. However, the 'strength' of the knowledge economy will persist only in the presence of a 'secure' ICT infrastructure. As a result, the projects (planned or in progress) market in Qatar has increased by 26.2 percent already on year to \$221 billion in 2013<sup>13</sup>.

Some of the budgeted expenditures include \$3.9 billion for interior security projects, \$1.6 billion for FIFA World cup related expenses, \$7.1 billion on education, \$7.4 billion on airports, \$1.5 billion on health programs and other such initiatives, which have an information security component<sup>14</sup>.

To protect it from cyber threats, Qatar, along with Kuwait is developing a fiber optic internet cable network to pass through Iraq and Turkey instead of Iran. It is believed that by 2015, there will be close to 50 submarine cable systems in the Middle East<sup>15</sup>.

## CYBER ATTACKS

As the country aims to increase its ICT workforce to 40,000, ICT Qatar claims that it averted 800 cyber incidents in 2012<sup>16</sup>. In March 2013, the Syrian Electronic Army hacked into the Qatar Foundation's social media accounts and posted messages calling out the 'insecurity' of Qatar's internet system. Qatar has shown support for the Syrian opposition, which might provide some explanation for the attack by loyalists of Assad. The network of Al Jazeera has also been attacked in the past<sup>17</sup>. Qatar's leading energy company, RasGas was also attacked in 2012. Being the most networked country in the Arab world increases its vulnerability to cyber-attacks and to the possibility of such attacks incapacitating its e-government, energy, and knowledge infrastructure.

## CYBER SECURITY STRATEGY

Qatar has invested in developing a cybersecurity strategy. The National Information Security Center in Qatar set up its [Computer Emergency Response Team](#) (CERT) in 2005 with assistance from Carnegie Mellon's software engineering unit<sup>18</sup>. This project is an initiative of ictQATAR. Its [activities and objectives](#) cover all aspects of cyber security from infrastructure protection to cyber intelligence. The Ministry of Interior (MOI) revealed its plans in early 2013 to set up a national cyber security system through collaboration with the private and public sectors as well as academia and international organizations<sup>19</sup>. These plans show opportunity for US companies.

The [Ministry of Interior](#) (MOI) and the Qatar Armed Forces are the two government agencies which are responsible for the oversight of internal and external security issues respectively<sup>20</sup>. MOI is tasked with internal security and administrates the police force, domestic crime, fire department and the like whereas the Qatari Armed Forces are responsible for border security. These agencies initiate projects on defense and security issues (including cyber security) but this information is highly sensitive and not always publicly available. Recently, Qatar increased its focus on all issues related to security, both offline and online.

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<sup>13</sup> (MEED Digest, 10/18/2013)

<sup>14</sup> (MEED Digest, Feb 2013)

<sup>15</sup> (Financial Times, 3/4/2013)

<sup>16</sup> (ICT Qatar Annual Report, 2012)

<sup>17</sup> (Doha News, March 2, 2013)

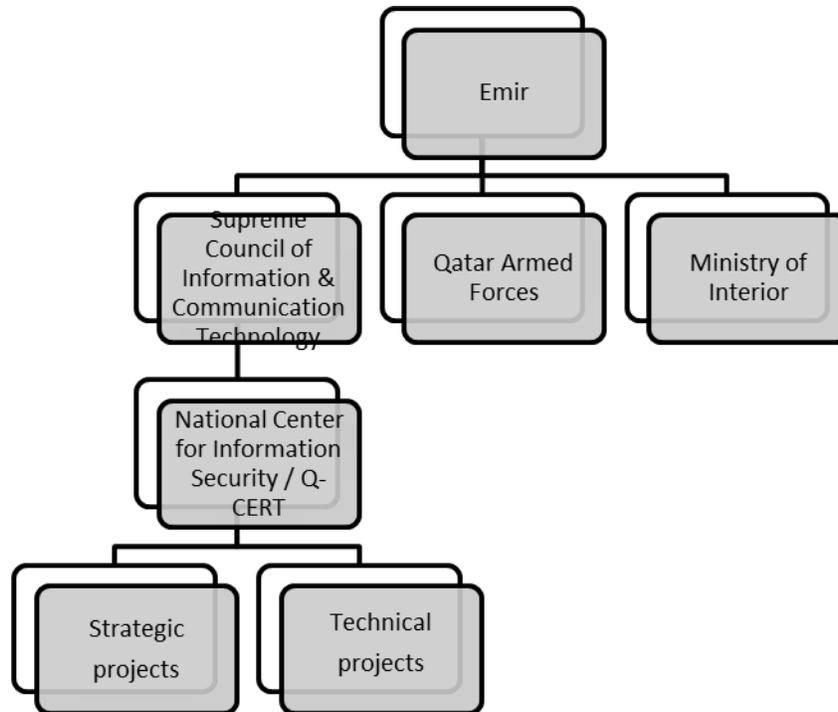
<sup>18</sup> (National Information Security Center, Qatar, 2013)

<sup>19</sup> (Gulf Times, February 2013)

<sup>20</sup> (US ITA, 2013-2014, page 164)

## COMMAND STRUCTURE IN THE DEFENSE AND SECURITY SECTOR

Figure 1: Command Structure in the Defense and Security Sector



Source: ictQATAR, Ministry of Interior

## CYBER SECURITY SPENDING AND PROGRAMS

Cyber security is quickly becoming a focus area within the domain of defense and security because of the ability of an attack to cripple crucial infrastructure. Some organizations suggest contract awards to be worth \$20 billion and higher each year in the coming three years<sup>21</sup>. The government of Qatar has developed two projects related to cyber security - strategic and technical projects<sup>22</sup>.

- » The Strategic Projects support the Qatar-2030 plan, which includes human and social development related to cyber security as well as securing Qatar's endowed energy and financial sectors.
- » The Technical projects initiated by the National Information Security Center provide opportunities for private sector firms to get involved. These projects include the development of a threat monitoring system, building a threat intelligence center to analyze and detect cyber threats, constructing a malware analysis laboratory and building systems to protect the government, corporations and individuals from theft of data. The projects have utilized international guidance on legislation, standards, and best practices.

<sup>21</sup> (UKTI, 2013)

<sup>22</sup> (Ibid)

**Table 1: Qatar Cyber Security Market at a Glance**

**Strengths**

- Strong defense relationship with the US
- Politically stable, safe, low corruption

**Weaknesses**

- Difficult to navigate government procurement landscape
- Requirement for a local agent or partner

**Opportunities**

- Increasing defense spending
- Increased investment in ICT and infrastructure
- Increasing focus on cyber security with support from international companies

**Threats**

- Cyber security supplier competition from other countries such as the UK, France

## MARKET ACCESS

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### **POLITICAL ENVIRONMENT: US-QATAR**

Qatar initially partnered with the US through the Defense Cooperation Agreement in the 1990s. Since then, the pact has been expanded and Qatar now maintains a close strategic and security relationship with the US. Major US military facilities are located in the constitutional monarchy of Qatar. In 2003, the US Combat Air Operations Center for the Middle East was moved from Saudi Arabia to an area which is located south of the capital city of Doha in Qatar<sup>23</sup>. This is the largest US military base in the Middle East<sup>24</sup>. Qatar also has defense agreements with the United Kingdom and France.

Qatar's foreign policy has raised some eyebrows especially in the case of security-related decisions in the Middle East. For example, Qatar sided with the North Atlantic Treaty Organization (NATO) and the US during the crises in Libya and Syria. However, it has also showed consideration for Iran, Hamas and even the Taliban much to the chagrin of the US. So far, this approach has not seriously affected Qatar's relationship with the US. Qatar is trying to play a mediating role in conflicts in the Middle East such as with Yemen and Palestine in 2012.

Qatar is a member of many international organizations such as the Gulf Cooperation Council (GCC), the Organization of the Petroleum Exporting Countries (OPEC) and the Arab League among others. The World Economic Forum<sup>25</sup> ranks Qatar 18<sup>th</sup> in the world for its political and regulatory environment.

- » More details on the US-Qatar political and defense relationship can be accessed from the following resource: [Congressional Research Service](#) report

In spite of its location in the Middle East and its relationship with the United States, Qatar has not experienced terrorist attacks in the recent past, making it a relatively safe place to do business. Nevertheless, the US State Department urges citizens to be cautious in the Middle East.

- » For travel to Qatar to make or build business contacts, please refer to the Department of State's [travel advisory portal](#) for the country.

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<sup>23</sup> Congressional Research Service, 2012

<sup>24</sup> US ITA, 2013.

<sup>25</sup> World Economic Forum report, 2013.

## TRADE

While a significant majority of Qatar's total merchandise exports of \$133 billion<sup>26</sup> is comprised of petroleum products, the country imports roughly \$34 billion worth of machinery, manufactured products, and transportation equipment. Major importers of Qatari oil include Japan, Singapore and South Korea. Around 14 percent of its imports in 2012 were purchased from the United States<sup>27</sup>.

The US is Qatar's largest foreign investor and source of imports which include aircraft and machinery among other products<sup>28</sup>. Qatar also imports some physical security products from the United Kingdom, China, Germany and Italy<sup>29</sup>. Demand for defense and security exports from the US is expected to grow in the coming years<sup>30</sup>. Although Qatar does not have any existing free trade agreement or bilateral investment pact with the US, the two countries signed a Trade and Investment Framework Agreement (TIFA) in 2004. A TIFA can often be a precursor to a free trade agreement.

## IMPORT REGULATION

As a member of the World Trade Organization (WTO), Qatar does not have significant trade barriers in place and abides by the basic principles of the WTO. Since it is a member of the Gulf Cooperation Council's customs union, it charges a 5 percent ad valorem tariff on most imported products with exemptions for certain security products. In fact, military and security products are not allowed for imports unless government agencies have authorized their entry.

US Export controls also apply to defense and security items and exporters should ensure that they observe these rules. These include the [International Traffic in Arms Regulations \(ITAR\) – U.S. Department of State](#) and the [Export Administration Regulations \(EAR\) – U.S. Department of Commerce](#).

All imports into Qatar require a license that is given only to Qatar nationals except in some special cases such as government contracts. Therefore, it is advisable to find an agent or partner in Qatar for trade purposes. This is especially true for services exports which can be aided by joint ventures with Qatari firms. Letters of credit should be used in trade. Importers also need to submit a certified pro forma invoice, a certificate of origin and a bill of lading.

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## GOVERNMENT PROCUREMENT

The [Central Tenders Committee \(CTC\)](#), which is a part of the Ministry of Economy and Finance, manages the procurement process for the public sector. High value tenders worth more than \$13.5 million are subject to the approval of the Emir<sup>31</sup>. Larger projects might need to undergo a pre-qualification process. Interested parties should look out for invitations to pre-qualify as advertised by the government from time

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<sup>26</sup> (World Trade Organization, 2012)

<sup>27</sup> (CIA World Factbook, 2012)

<sup>28</sup> (Department of State, 2013)

<sup>29</sup> (US ITA, 2013-2014)

<sup>30</sup> (Ibid)

<sup>31</sup> (US Commercial Service, 2013)

to time. The State Purchase Office of the CTC manages the local procurement process for various government bodies.

Bid (5 percent) and performance bonds (10 percent of the contract) are required as bank guarantees. Bids are usually in Arabic. Price of the contract matters as do other factors such as the firm's reputation and experience. Often, government contracts are known to favor local companies with a 10 percent price premium or other GCC-based companies with a 5 percent price premium. Contractors, whether foreign or local can expect to receive 20 percent of the payment in advance against bank guarantees.

Foreign companies seeking defense procurement opportunities need to be prepared to encounter an opaque process albeit with open competition for bids. Most of the challenges related to government procurement revolve around the lack of transparency and accountability to those contractors which did not qualify for the awards<sup>32</sup>. The silver lining however is that teaming up with experienced, domestic companies or using agents and intermediaries can make it easier to navigate the system. Additionally, the bidding and sub- contracting processes have few restrictions<sup>33</sup>.

Bidders should exercise patience because the process of getting a contract can sometimes be time consuming and later on, payments can be slow and without interest for the delay. There is no formal mechanism in place to challenge awards, which adds to the lack of clarity in the criteria and the procurement process. Actual government contracts can have arbitration clauses.

## TENDERS

There are [multiple open tenders](#) that are listed on the US Commercial Service website on Qatar, some of which are focused on security. Companies interested in doing business in Qatar are required to register with the [Ministry of Business and Trade](#). Some hyperlinked resources for information on open tenders are listed in the table. A sample list of relevant tenders is in the appendix.

**Table 2: Resources for Tenders**

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<a href="#">Central Tenders Committee (CTC)</a>	Agency which manages the centralized tendering process for government contracts; represents multiple Qatari agencies
<a href="#">Global Tenders</a> <sup>34</sup>	Information on Qatar tenders by industry
<a href="#">Tenders Info</a>	Information on worldwide tenders
<a href="#">Ministry of Interior</a>	Tenders and auctions, also available from CTC
<a href="#">Qatar Petroleum</a>	Independently manages tenders

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## DOING BUSINESS WITH GOVERNMENT

Qatar is not a party to the World Trade Organization's (WTO) Government Procurement Agreement. This agreement, which is based on transparency and non-discrimination, enables companies from its signatory countries to get open access to government bids.

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<sup>32</sup> (US Commercial Service, 2013)

<sup>33</sup> (Government defense anti-corruption index, 2013)

<sup>34</sup> (www.globaltenders.com)

The model of the defense industry in Qatar is determined and controlled centrally by the Emir and the Crown Prince's office. Therefore, there are no major committees or organizations that monitor defense operations. Any existing committees might only perform an advisory role. The companies in the defense sector often form partnerships with foreign companies to cater to the government's defense needs. Many domestic firms benefit from the interests of Qatari military leaders who own a stake in their organizations. Usually, this practice is not viewed as corruption. There are anti-corruption rules for procurement procedures but the ultimate decision is with the Emir's office, which makes these rules somewhat subjective. As a result, accountability is low.

## MARKET SIZE AND GROWTH

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### DEFENSE SPENDING

World military spending fell by 0.4 percent in 2012 but that in the Middle East as a region increased by 8.3 percent to \$138 billion<sup>35</sup>. Qatar maintains one of the smallest armies in the Middle East. Over the last decade, Qatar's military expenditures have increased significantly. The public administration and defense sector in Qatar was valued at \$8.8 billion in 2012<sup>36</sup>. Due to the nature of the political system, defense and security budgets and operations are not always clear and the defense policy is not published for the public<sup>37</sup>. According to the Stockholm International Peace Research Institute (SIPRI), Qatar is expanding its armed forces. Qatar spent roughly \$1.9 billion in the form of military expenditures in 2012. For the date range from 2005-2009, SIPRI<sup>38</sup> reported that 98 percent of Qatar's imports of conventional weapons was from the United States. According to the US Commercial Service, the US export value for the defense market in Qatar is estimated to be between \$5-7 billion in the coming years.

### CYBER SECURITY MARKET SIZE AND SECTORS

US Commercial Service reports that the market size for the information and communications technology sector (ICT) grew to \$2.4 million in 2011, most of which was imported into the country. Qatar's aspirations to be a highly networked e-society increase its reliance on safe and secure information technology (IT) systems. As such, the demand for all types of security products in Qatar has increased as it aims to meet international standards ahead of the FIFA World Cup in 2022. Infrastructure projects in Qatar are expected to comprise up to 15 percent of gross domestic product in 2013 and 2014<sup>39</sup>. For this reason and others, the government has announced a record budget for the fiscal year 2013-2014 that shows an increase of 18 percent in expenditures<sup>40</sup>. Construction and transportation projects make up a significant 81 percent of the current spending budget<sup>41</sup>. There are multiple requests for proposals to solicit participation in these projects for various opportunities including cyber security<sup>42</sup>. For more details on opportunities in this sector, view this [ictQATAR publication](#). It lists cyber security as its top ranked priority opportunity.

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<sup>35</sup> (SIPRI, 2013)

<sup>36</sup> (IHS Global Insight Country Intelligence Report, Qatar, 2013)

<sup>37</sup> (Government defense anti-corruption index, 2013)

<sup>38</sup> (SIPRI Arms Transfers database, 2010)

<sup>39</sup> (QNB, 2013)

<sup>40</sup> (Ibid)

<sup>41</sup> (Ibid)

<sup>42</sup> (MEED Projects, 2013)

The US Commercial Service identifies the following as some of the areas in security, which provides export opportunities for US exporters: access control, computer security, integrated security systems, electronic safety, intrusion detection equipment, communications systems, forgery, fraud, and building management systems<sup>43</sup>.

## COMPETITIVE MARKET LANDSCAPE

Qatar is a growing market for cyber security exports. Opportunities to supply cyber security products and services are spread across different sectors from energy to banking and finance and across various segments such as infrastructure to network security and content. The next ten years are going to witness increasing demand in this area. ictQATAR, in a review of its development strategy, [acknowledged](#) that the progress on investment in cyber security is still very limited. This indicates the increasing opportunities and investment in this area in the coming years.

There are many domestic and foreign companies in Qatar, which supply the security needs of these agencies and the private sector. US exporters can expect competition from European security companies due to geographical proximity; such as the United Kingdom's (UK) G4S PLC, which is the largest security services provider in the world. Qatar also imports security equipment from the UK, Italy, and Germany.

There are two factors that are in favor of US exporters: (i) the opinion in Qatar that US products and technologies are state-of-the-art and (ii) the stable exchange rate peg at 3.6 riyals/US dollar. The probability of success of US firms in Qatar is high<sup>44</sup>.

## TRADE EVENTS

There are many trade events held in the year in Qatar and elsewhere in the Middle East where exporters can create a network of contacts, find partners if needed and seek opportunities for growth.

- » [Milipol Qatar](#) offer access to the marketplace and many partnership opportunities
- » The [Qatar Computing Research Institute \(QCRI\)](#) lists various conferences on cyber security

# MARKET ENTRY

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Depending on the cyber security product or service, there are different options available to US exporters who want to enter the market. A legal system, different from the US legal system, implies that it is useful to solicit legal advice on all entry matters. Relevant entry strategies include the following:

## AGENTS

There is some preference for local content and Qatari or GCC-based companies in government contracts. For that reason and others, it is recommended that US exporters seek an agent or if possible, a partner who can assist in the procurement process. Those using a commercial agent should ensure compliance with the Commercial Agents Law that governs agency contracts and register with the [Ministry of Business and Trade](#). Hiring a reliable Qatari agent after due diligence is one of the best strategies to export to Qatar.

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<sup>43</sup> (ITA Safety and Security guide, 2013)

<sup>44</sup> (US ITA, 2013)

## FINDING A QATARI PARTNER

Qatar is a relationship-based culture. Spending time to get to know the partner, agent and other support entities is highly recommended.

## SETTING UP AN OFFICE

US exporters looking to set up an office in Qatar should register with the Commercial Registry through the [Ministry of Business and Trade](#). In majority of the cases, foreign businesses can only be established as joint ventures. There are some exceptions to this rule. Representational offices, which conduct no business, do not require a partner. Branches can be established by exporters who are already working on government contracts.

## QATAR FINANCIAL CENTER

Virginia-based firm Booz Allen Hamilton registered to do business in Qatar in 2012. It received a license from the [Qatar Financial Center \(QFC\)](#) Authority to offer information technology, cyber security solutions and other services to support the diversification of Qatar's economy and strengthen its infrastructure<sup>45</sup>. There are, in fact, several US-based firms which are contractors with the QFC. The list of companies is available through the [Public Register](#). The QFC operated under free trade zone conditions and is focused on the financial and related sectors.

## FREE TRADE ZONE

Qatar currently has one free trade zone, [Qatar Science and Technology Park \(QSTP\)](#) which started operations in 2009 and focuses on information technology among other industries. More such free trade zones are expected to come up in the near future. Many Western multinational companies reside in the QSTP including Cisco and Microsoft. Companies considering a long term presence in Qatar can apply to locate their business here. In order to qualify, companies should be engaged in technology transfer among other such eligibility criteria. The benefits of market entry into Qatar through this free trade zone are allowance of 100 percent ownership, no taxes, ability to trade without a Qatari partner or agent and availability of advising programs and other support<sup>46</sup>.

# LEGAL ISSUES

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Qatar's legal system invokes civil law and Islamic (sharia) law although it is mainly the sharia law which is applicable in criminal matters<sup>47</sup>. On the business front, Qatar has relaxed its licensing laws to encourage investment in the non-oil sectors. Foreign investment laws are fairly strict and investors require permissions to invest in many sectors while also facing ownership restrictions. Since 2010, the tax rate is at 10 percent.

## CYBER LAWS

To promote the adoption of ICT, Qatar passed the Electronic Commerce and Transactions Law in 2010, which urges the private sector and the government to move their operations online. Given the government's recent aggressive efforts to vitalize the ICT sector, it has also taken some steps to secure the actors in this sector. The Personal Information Privacy and Protection Law which set standards for privacy

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<sup>45</sup> (Booz Allen Hamilton, 2012)

<sup>46</sup> (MEED Economic Digest, 7/26/2013)

<sup>47</sup> (Library of Congress, 2013)

and the Critical Infrastructure Information Protection Law which sets forth legislation to protect key infrastructure are some of the new laws that were presented in 2012. The government is working to strengthen the legislation structure further as related to ICT and cybercrime.

## INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights are supposed to be enforced because Qatar is a signatory to international agreements. However, companies need to manage their intellectual property carefully while doing business in Qatar. Since intellectual property laws are territorial, exporters with innovative products or cyber technology should consider registering their rights in their export market; in this case the Qatar Patent Office. US firms considering doing business in other GCC countries can file a patent application at the patent office in Saudi Arabia. GCC patents offer legal protection in all the GCC countries. The Qatar Trade Mark office handles trademark registrations as governed by Trade Mark Law. Original computer programs and databases can be registered with the Qatar Copyright Office. The Ministry of Business and Trade governs intellectual property rights in Qatar. While there are enforcement mechanisms in place through the civil and criminal courts in Qatar for violation of intellectual property rights, these laws are not always adequately enforced. Qatar has a relatively high piracy rate. Companies should be careful in guarding their intellectual property<sup>48</sup>.

## SOCIO-CULTURAL ENVIRONMENT

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There are human rights concerns in Qatar. While foreigners are not directly affected by violations of these rights, there have been some instances of abuse mostly in the labor categories. From its population of around 2 million people, majority are foreigners. Only around 250,000 people are Qatari citizens.

The government in Qatar restricts freedom of press and religion (Islam is the state religion) although it did launch the now famous Al Jazeera Arabic television network in 1995. Arabian cultures tend to value relationship-building with potential business partners. It is also important for foreigners to be cognizant of the cultural expectations when doing business in Qatar. The crime rate in Qatar is relatively low and it is perceived that there are low levels of corruption in Qatar. Transparency International ranked Qatar 27 out of 176 countries in 2012 which is the lowest in the Middle East and North Africa region.

This information is vital to US exporters because of the strict US Foreign Corrupt Practices Act which considers bribery abroad to be a punishable legal offense. All these factors make Qatar a competitive place to do business<sup>49</sup> with a ranking of 13<sup>th</sup> out of 148 countries in the Global Competitiveness Report 2013-2014. Regarding consumer attitude toward products and services from the US, these are viewed favorably and US expertise is valued which increases the chances of success for a US exporter.

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<sup>48</sup> (WTO trade policy review, 2005)

<sup>49</sup> (WEF Global Competitiveness Report, 2013-2014)

# DEMAND FROM THE PRIVATE SECTOR

Unsurprisingly, almost 50 percent of the world expenditure on cyber security is made up by the US with the public and private sectors in the US spending comparable amounts. In the rest of the democratic world, the private sector dominates national spending on cyber defense<sup>50</sup>. This is not true in the case of Qatar because its government is the biggest spender.

The government of Qatar recognizes the need to boost investment in the non-energy sectors. Therefore, it is channeling resources toward industrial development. In order to diversify its economy and expand its natural gas operations, Qatar has invited foreign investment into the country. It is expected that foreign investment in Qatar will increase in the coming years. ictQATAR, the information technology body of the government plans to involve the private sector in its initiatives. In spite of this increasing focus on the private sector in Qatar, the government will probably continue to dominate cyber security initiatives.

**Table 3: Examples of available tenders related to cyber security<sup>51</sup>**

Organization or Industry	Project details	Close date
Qatar News Agency	Supply & <sup>52</sup> installation of copy, security and file archiving central system.	01 Dec 2013
Energy & Power - Industrial Automation , IT - Access Control	Field Automation System Installation	02 Dec 2013
Information Technology (IT)	Supply and Installation of Copy, Security and File Archiving Central System	01 Dec 2013
Information Technology (IT)	Provide ICS Security Controls	04 Dec 2013
IT - Access Control , Information Technology (IT)	Provide SAP Integrated Wireless Barcode System	01 Dec 2013

**\*\* Information on recently closed cyber security tenders is available [here](#)<sup>53</sup>**

**SOURCE:** Unless specified otherwise, information on open tenders obtained from [www.globaltenders.com/qatar](http://www.globaltenders.com/qatar).

<sup>50</sup> (SIPRI Yearbook, 2013)

<sup>51</sup> (Unless specified otherwise, information on open tenders obtained from [www.globaltenders.com/qatar](http://www.globaltenders.com/qatar))

<sup>52</sup> (From CTC website)

<sup>53</sup> ([www.qatartenders.com](http://www.qatartenders.com))

# APPENDIX 1: USEFUL LINKS

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## **US Export Controls**

- » [International Traffic in Arms Regulations \(ITAR\) – U.S. Department of State](#)
- » [Export Administration Regulations \(EAR\) – U.S. Department of Commerce](#)
- » [Exporting from Virginia](#)
- » [Export Licenses](#)

## **US Laws Governing International Business**

- » [US Anti-corruption Guide](#)
- » [Corruption Map](#)

## **US-Qatar Political Relationship**

- » [US-Qatar Political Relations](#)
- » [Congressional Research Service Report](#)

## **Qatar Country Information**

- » [Country Information](#)
- » [Culture](#)

## **Doing Business in Qatar**

- » [US Commercial Service](#)

# APPENDIX 2: KEY CONTACTS IN QATAR

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<a href="#">US Embassy, Qatar</a>	Address: Al Luqta District, P.O. Box 2399, Doha, Qatar <b>Ph:</b> (974) 4496-6000, <b>Fax:</b> (974) 4488-4298 <b>Email:</b> <a href="mailto:PASDoha@state.gov">PASDoha@state.gov</a>
<a href="#">US-Qatar Business Council</a>	Address: 1341 Connecticut Avenue, N.W., Suite 4A Washington, D.C. 20036 Ph: (202) 457 – 8555, Fax: (202) 457 - 1919 Email: <a href="mailto:programs@usqbc.org">programs@usqbc.org</a>
<a href="#">American Chamber of Commerce in Qatar</a>	Address: P.O. Box 22632, Doha, Qatar Ph: (974) 6699-6972, Fax: (974) 4453-2501 Email: <a href="mailto:info@amchamqatar.org">info@amchamqatar.org</a>
<a href="#">Central Tenders Committee (CTC)</a>	Address: P.O.Box 1908 Rawabi Street /Al Muntazah, Doha Ph: (974) 44378111/44378132, Fax: (974) 44439360/44430250 Email: <a href="mailto:ctc@qatar.net.qa">ctc@qatar.net.qa</a>
<a href="#">Ministry of Interior</a>	Phone : (974) 44330000 E-mail : <a href="mailto:info@moi.gov.qa">info@moi.gov.qa</a>
<a href="#">Ministry of Defense</a>	Address: P.O. Box 37. Doha, Qatar Procurement Directorate – Logistics Department Ph: (974) 44612969 Tender and Auction Committee, Ph: (974) 44612784
<a href="#">Ministry of Business and Trade</a>	Address: P.O Box 1968 – Doha - Qatar Ph: (974)44945001/(974)44945555, Fax: (974) 44945000 Email: <a href="mailto:prc@mbt.gov.qa">prc@mbt.gov.qa</a>
<a href="#">ictQATAR</a>	Address: P.O. Box 23264, Al Nassr Tower, Post Office Roundabout, Al Corniche Street, Doha, Qatar Ph: (974) 4499 5333, Fax (974) 4493 5913 Email: <a href="mailto:info@ict.gov.qa">info@ict.gov.qa</a>
<a href="#">Customs Qatar</a>	Email: <a href="mailto:CallCenter@customs.gov.qa">CallCenter@customs.gov.qa</a>

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