

Qatar



PART III

The Call from the Desert

In the 1970s, the Persian Gulf was the Western world's jugular vein... and tiny Qatar was enjoying its recently gained independence. Forty years later, this Arab country is the world's largest exporter of Liquefied Natural Gas (LNG). Spain is on its road map

Infrastructure

The sector demands greater institutional presence

In 2014, Qatar awarded contracts worth €2.7 billion to Spanish companies

Tourism

Spain is in the sites of the Qatar Sovereign Fund

Katara Hospitality has acquired its first hotel in Madrid



Energy

Mohammed Al-Sada
Qatari Minister of Energy and Industry

«It is not easy to monetize gas in the current world economy»

Qatar: just 15 years away from its goal

Qatar's position in the world is not based on chance, but rather, it is the result of forty years weaving political and economic alliances with leading countries such as Japan and the United States. More recently, Spain has also appeared on its road map. For 2030, Qatar aims to become an advanced society

It was at the end of the seventies, in the 20th century when a British journalist included stories about her trip to Doha in a book about the Arabian Peninsula. She mentioned the land reclamation project in West Bay: a neighborhood to the northeast of Doha that is home dozens of buildings, many of which are skyscrapers with offices for various ministries and corporations, a number of embassies, apartments and luxury hotels. Nestled aside the district is the Sheraton Hotel; a unique, pyramid-shaped building that has just opened after undergoing refurbishment. The turquoise waters of the Arabian Gulf are in their background.

With an estimated GDP of €180 billion for 2014, according to Qatar National Bank (QNB), Qatar enjoys the highest income per capita in the world



Traditional Dhow Festival in Katara Cultural Village, organized by Qatar Olympic Committee (QOC), in November 2014, Doha.

Glass, steel and state-of-the-art design welcome visitors to the Qatari capital.

Scoff of the British

Forty years ago, Qatar was enjoying the wealth of the oil discovered in 1939 in Dukhan, and began to glimpse the prosperity that would arise from the discovery of the world's single largest natural gas reservoir, in 1971. No longer a protectorate of Great Britain, the journalist mocked the newspaper's headlines relative to multi-million dollar projects to build industrial plants, among them, a steel factory in alliance with Japan. «This would make sense in a city with adequate labor force such as Cardiff», the capital of Wales in the United Kingdom. «Who will go work there? Imported Japanese?» Today, Japan is Qatar's most important trading partner; and she was referring to Qasco (Qatar Steel Company), one of the country's largest firms. With an estimated GDP of €180 billion in 2014—according to Qatar National Bank (QNB), the largest bank in the Middle East and North Africa—the emirate enjoys the world's highest income per capita. And yes, Qatar had to start by importing workers, not only from Japan, but

from all over the world, both skilled and unskilled employees, including Brits! This practice continues today. Of the 2.3 million people living in the country, only 250,000 are Qatari. At current growth rate, western expats will soon reach the 400,000 mark; the rest are thousands of workers from Asian countries such as India, Nepal, Bangladesh, Sri Lanka and the Philippines... the majority are hired as low-cost labor working on infrastructure projects that Qatar has awarded to companies from all over the world. Spaniards too. For example, HLG, the subsidiary of ACS in the Middle East, that was awarded projects valued at €1.54 billion in 2014; among them, the 1.23 billion section of the New Orbital expressway, drinking-water reservoirs, and a 428-kilometer water pipeline and optic fiber networks. FCC was awarded a section of the Red Line of Doha Metro, walkways and a water infrastructure project. OHL is working on the two most emblematic metro stations in Doha, on a consortium led by Korean Samsung, while its almost concluded Sidra Medical & Research Center is under arbitration. Other Spanish firms are Sacyr, Ceinsa, Ecisa, Grupo

Puentes, Collosa... Government investment until 2018 is programmed at €130 billion, according to QNB; most of this amount will be invested in transport and infrastructure. Businesses and citizens from all over the world—1,500 Spaniards are registered at the Spanish Embassy with an equal amount of non-registered—continue to arrive and new Embassies open their doors due to this influx. For example, just three years ago there were three Latin American embassies; today, there are eleven, Mexico

Forty years ago, Qatar already enjoyed wealth thanks to crude oil and began to suspect the prosperity that would arise from the discovery of the world's single largest natural gas reservoir in 1971

being the latest arrival.

America, mon amour

Between 1995 and 2013, when the Sheikh abdicated in favor of his son Tamin Bin Hamad Al-Thani,

Qatar was governed by Sheikh Hamad Bin Khalifa Al-Thani, who is now 65 and has three wives; one of them is Sheikha Mozah Bint Nasser Al Missned, mother of Tamin. Her husband, the Father Emir, graduated from the Royal Military Academy Sandhurst—as did Winston Churchill. He was summoned by his father, the Emir, to proclaim him Heir apparent and Minister of Defense. Hamad Bin Khalifa Al-Thani is considered the author of Qatar's modernization and many frequently refer to him as the Kennedy of the Middle East. He founded the television channel Al Jazeera—meaning island in Arabic. The channel played an important role in the «Arab Spring».

Qatar hosts the largest American military base of any Arab state. According to some Spaniards, access to the base is on the «best highway» in the country

On occasions the information broadcasted irritated fellow Arabs. The story about a comment by Hosni Mubarak while visiting the channel's main offices in Doha is still told: «So much noise coming out of a match box» it has also angered the US more than once, but the emirate is its best ally in the Middle East. Al Udeid, the largest US military base in the region, is located in Qatar. According to some Spaniards, the highway leading to the base is «the best one in the coun-

try». US multinational firms such as ExxonMobil and ConocoPhillips cooperate hand in hand with Qatar Petroleum (QP), a 100% state-owned company that manages Qatar's gas and oil resources; in turn, it generates 60% of the country's GDP. French firms such as Total can also be found in Qatar. Likewise, the US landed in the Qatari classrooms; six American universities accepted Qatar's

The influence of Sheikha Mozah

«While you were having fun at the camel races, I was studying at Cairo University». This quote is from Sheikha Mozah, speaking to her husband with an air of mutual understanding during an interview that the royal couple granted the US media several years ago. Hugo Guilliani, Ambassador for the Dominican Republic in Qatar recalls that there was no censorship. «The complicity between them was obvious». Qatar is the world's largest exporter of Liquefied Natural Gas (LNG)—Spain's third largest supplier—but the wealth housed in its seabed is volatile and Qatar is well aware of this fact. Thus, it has a two-fold plan: investment in foreign assets through its Sovereign Wealth Fund and diversify the economy in areas such as education, sports and tourism. Education City could never be understood without the backing of the Sheikha. She currently serves as Chairperson of QF (Qatar Foundation for Education, Science and Community Development). Education City is dependent upon this latter. Sheikha Mozah



Sheikha Mozah at WISE 2014. With her is the Qatari Minister of Culture and Spain's former Vice President, Mª Teresa Fernández de la Vega.

Qatar is the world's largest exporter of Liquefied Natural Gas (LNG) and Spain's third largest supplier

has taken reports of abuse regarding the violation of workers' rights in Qatar very seriously; and QF has implemented strict rules to avoid unscrupulous companies from taking advantage of low-priced labor and employees without any training upon arrival to the country. A woman of charisma with a degree in Sociology, Sheikha Mozah broke a taboo within Arab society by showing her face in public. Comment about her beauty and elegance often overshadow her commitment in favor of education in Qatar and in the world. «She is a well educated woman. I have met her; (she was) speaking in English, with no paper support and she showed her intelligence in her interesting arguments», comments Mr. Guilliani. WISE (World Innovation Summit in Education) is under Qatar Foundation's umbrella. During its annual summit in Doha, it awards US\$500,000 to a special project. It is already being called Nobel of Education. Access to the event is by invitation only; and it brings together over a thousand experts in education from all over the world. Both the organization and logistics are impressive. Since 2013, Banco Santander is one of its sponsors; during the inaugural ceremony in November 2014, the Chairman of WISE lovingly remembered Emilio Botín who recently passed away.

But for Sheikha Mozah, the most prized asset is Educate a Child (EAC). This charitable organization is in line with the millennium objectives for develop-

Sheikha Mozah's most prized project is Educate a Child (EAC), a charitable organization that reaches half a million children in 17 countries. Her goal is to influence at least 10 million children

ment established in 2000 by the United Nations so that by 2015 not a single child in the world misses out on primary education. Although the statistics have improved, in June of 2014 there were 58 million children who were not attending school.

EAC reaches out to half a million children in seventeen countries but Sheikha Mozah strives to reach ten million children. «It sounds ambitious, but I believe it is possible», she states. The Roger Federer Foundation, UNICEF, the Office of the United Nations High Commissioner for Refugees and Caritas Congo, among others, are EAC partners, working together with her. In Latin America, only Brazil and Haiti receive aid. For Ambassador Guilliani it is a pity that the Dominican children on the border with Haiti—equally as poor as the Haitians—cannot benefit from this initiative due to a simple question of borders and statistics. For now, it is a matter of patience.



KATARA HOSPITALITY, PRESERVING ICONIC TREASURES

There is much more to being a world-class hospitality organisation than just owning, managing or developing hotels. At Katara Hospitality, our appreciation for the past powers our aspirations for the future. Decades of experience,

an innovative mindset and meticulous attention to detail enable us to craft unique masterpieces that set new standards for others to follow. With us, it is all about our boundless passion for creating legendary hospitality, building on our heritage.



DR. MOHAMMED ABDUL WAHED AL HAMMADI, MINISTER OF EDUCATION AND HIGHER EDUCATION IN QATAR

«In just five years, Qatar has doubled its budget for education»

Western institutions such as Texas A&M and Georgetown University participate in Qatar's educational structure. SEK is the only Spanish school in the emirate

Education City is a large campus on the outskirts of Doha. The Father Emir, Hamad Bin Khalifa Al-Thani, wanted to import a selection of engineering and faculty degrees from prestigious Western universities to support his objective and turn Qatar into a knowledge-based economy. And Qatar Foundation (QF), chaired by his wife Sheikha Mozah Bint Nasser was willing to finance the venture. There are currently ten universities in Education City, two from Qatar, six from the US, one from the UK and one from France. Architecture is a luxury; for instance, the glass and metal cloister and the fountains sunk into its floor at the Hamad Bin Khalifa University (HBKU) that seem to be inspired in a monastery, or its cafeteria with very high ceilings and cathedral like vaulted columns. Soon students will be able to get around the campus on the People's Mover, the tram being built by HLG, the subsidiary of ACS in the Middle East.

More female than male students

Outside Education City sits the largest university in the country, Qatar University, presided by Sheikha Mozah's sister, where the number of female students exceeds the number of male students. Extensive reforms have

been carried including establishing external accreditation for its programs. «The population of Qatar is growing rapidly; the challenge is to have enough infrastructure. Some Qataris still study abroad, often on scholarships... It should not be a necessity; there may be difficult-

For expatriates, schooling costs €700 per month/child. Education is free for Qataris, including higher education

ties in girls studying outside and we should ensure there are comparative world-class institutions available locally. Also, there is a growing belief among our brothers in other Arab countries that world-class university education in Qatar could be better and more cost-efficient than sending their kids to Europe, Canada or the US», explains Dr. Mohammed Al Hammadi, Minister of Education and Higher Education in Qatar. The government earmarked €5,27 billion for education in the 2014-2015 budget. «Almost double the amount assigned five years ago», he emphasizes. Part of these funds help fulfill the objective of turning Qatar into a leader in R+D+i. In 2012 the National Research Strategy was de-



Dr. Mohammed Abdul Wahed Al Hammadi.

signed with four areas of state interest; energy and environment, computing and information technologies, health, social sciences, arts and humanity.

Schools at 700 Euros a month

Population growth also puts pressure on primary and secondary education, all of which is managed by the Supreme Education Council (SEC) that strives to open more centers. Existing schools are scarce and expensive—around €700 per month/child. That is a headache for expatriates who sometimes decide to leave their spouses and children in their country of origin. Schooling is free for Qataris. There are a number of European schools operating in Doha; these include the French

Lycées Voltaire and Napoleon, or SEK, the only Spanish school and with a waiting list. In 2013, SEC invited SEK to be the international school with Spanish background to complete the educational offer in Doha. A few months later, the school was up and running. Qatar financed the entire infrastructure. «This is not a blank check; such an opinion would be a lack of respect. The country's investment in education is tangible; we were willing to embark on this journey. We have come to share what we know but at the same time, learn from others. One feels in debt when be-

The government earmarked €5.27 billion for education in the 2014-2015 budget

ing invited to take part of something like this», expounds Nieves Segovia, president of Institución Educativa SEK. For the moment there aren't any Spanish universities in Qatar and the minister thinks it's inappropriate to give names or making specific references but he does state that «Qatar and particularly QF are always alert and considering any member/educational institution that might complement the existing infrastructure related to the knowledge-based economy».

GERD NONNEMAN, DEAN OF GEORGETOWN UNIVERSITY SCHOOL OF FOREIGN SERVICE IN QATAR

«Qatari politics have always been pragmatic»

Gerd Nonneman heard about Education City for the first time some two decades ago; he thought it was a «white elephant». But today, this Belgian who has a doctorate in Politics and is an expert in Middle East, believes it definitely has well-placed pillars. He is Dean of Georgetown University School of Foreign Service in Qatar. Since 2005, over 200 Arab students—including the Emir's second wife—, have graduated here.

The Emir is in control

«There has not been a U-turn and there will be no U-turn on the fundamentals of Qatari foreign policy which is based on



Gerd Nonneman.

the realization that the old regimes were not sustainable, that you cannot hold back popular dissatisfaction forever, and that among social strands of thought in the Arab world Islamism was going to be important, so to pretend that it's not there, just doesn't work», he remarks. Mr. Nonneman believes that Qatari politics have always been pragmatic and the adjustments form part of that pragmatism. «The changes that have come about are not a fundamental change, but a change of degree, execution and tone. The basic line of development in any sector remains as conceived although the implementation is more cautious, more financially prudent, more conscious of the need for due diligence in foreign relations. But the shift was conceived well before the power change in 2013». Did anyone doubt the Emir? «He's in the driving seat and the Father Emir is by his side, together with a think tank, such as that of the Minister of Foreign Affairs, a very capable and trustworthy man. Initially, there were some who questioned his age; he was 33 years old, but now, his elders see him as a very ambitious and confident man. Well before the change in 2013 he was already on stage».

MARK WEICHOLD, DEAN AND CEO OF TEXAS A&M UNIVERSITY IN QATAR

«Education City is a experiment with revolutionary results»

In 2014, the university received more than €27 million for research

It has been estimated that during the next decade, Qatar will need to employ thousand engineers each year. Qatari nationals will cover a part of that demand, but the country will still need expatriates. In 2001, the President of Texas A&M University began discussions with QF; these derived in an invitation for an interview with Sheikha Mozah in 2002. Qatar needed engineers, and above all those connected to oil and gas so they went to Texas A&M. «QF was willing to fund our operations here. It meant that we need not use tuition money that the students paid in Texas, in the US, nor Texas tax dollars. Also, we would have the opportunity to engage in research as the activities undertaken by Qatar in gas production and oil exploration were far beyond anything else



Mark Weichold.

you would find anywhere in the world», explains Mark Weichold, an American professor with three US patents on his curriculum who formed part of the team that first visited the emirate. In 2003,

he became the president of the Texas A&M University in Qatar.

Research in the desert

In 2014 alone, the university—access to which is through a huge bronze door—received €26.5 million from Qatar National Research Fund (QNRF). It is 80% of what it receives annually. The research programs are aligned with national interests. In a desert environment, anything related to water is of major importance. Two years ago, the chairman for Qatar National Food Security Programme announced that the country had drinking water reserves for only 48 hours. «The desalination plants are essential, but producing one liter of drinking water demands the use of another two or three that end up as liquid discharge», says Mr. Weichold.

A researcher at the university has conceived the way of producing desalinated water and zero liquid discharge. Others are working towards avoiding corrosion of the underwater pipelines or wireless medical technology. The fields are extensive.

An experiment that works

But could Qatar ever be independently competitive in the global knowledge economy? According to Mr. Weichold «it is possible, but it must continue with its level of commitment and investment; a lot of learning and infrastructure has to be set up here to reach that status in a global scale. Education City is an experiment with revolutionary results. A generation is necessary to verify its success but it is moving in the right direction».



Aspire Academy has a dual aim of identifying and transforming promising young talents into champions across a wide range of sports, and to draw the sporting culture into the center of life in Qatar and the surrounding region. Cementing its reputation as one of the foremost sporting and educational institutions in the world, the Academy embraces unrivaled amenities that include fully-equipped classrooms, modern recreational areas and cutting-edge laboratories.



ASPIRE
ACADEMY

inspired by aspire®

DR. MOHAMMED SALEH AL-SADA, MINISTER OF ENERGY AND INDUSTRY OF QATAR

«It is not easy to monetize gas in the current world economy»

According to the Qatari minister, despite the fall in crude oil prices, the perspective for demand continues to be positive and that will elude the supply growth becoming a problem in the future

It will have been four years ago this weekend since Mohammed Saleh Al-Sada was appointed Minister of Energy and Industry in Qatar. He was one of the few members of the Cabinet to retain his post once the Father Emir abdicated in favor of Sheikh Tamim Bin Hamad Al Thani in 2013. He holds a Master's degree in Marine Science and Geology from the University of Qatar and a doctorate from the University of Manchester Institute of Science and Technology. He chairs Qatar Petroleum (QP), the country's largest firm; it is 100% state-owned and contributes almost 60% to the emirate's GDP. Until this past month of October, he was also the CEO. His agenda is heart-stopping with trips to the four corners of the earth. He is a real heavyweight, but his current position and influence has not changed him; he continues to have a friendly and courteous, but slightly spartan



Dr. Mohammed Al-Sada doesn't perceive the era of energy abundance as a threat.

«In recent months, the rapid decline in oil prices was driven by deceleration in Eurozone economies, growth in emerging economies lower than expected, in addition to the unbalance in supply and demand»

personality. His only luxury in his huge office—in one of the skyscrapers in West Bay shared with the Ministry of Social Affairs—is perhaps the large windows facing the southeast, thus filling the room with sunshine. Dr. Al-Sada, as he is known in Qatar, is aware that the greatest challenge that gas exporting countries current-

ly face is market volatility and the probability of an excessive supply. Qatar and its Minister have an eagle eye on events while being alert to changing conditions. Nevertheless, his answers in this interview are enshrouded in serenity and the diplomacy of political correctness.
QUESTION: The CEO of ExxonMobil, the largest US oil company, stated this fall that his country had entered a «new era of energy abundance» which means they are not dependent upon a conflictive Middle East. How do you think the enormous increase in US energy production will interfere with the ongoing relationship between Qatar and its long-term allies ExxonMobil and ConocoPhillips?
ANSWER: At the end of the day, a robust energy sector will empower the economic transformation that Qatar is aiming for. It

is possible by establishing solid partnerships with world leading companies in the sector, including the companies you mentioned and others. Despite the recent decline in crude oil prices, the overall outlook for the oil demand remains quite positive. There are economies that continue to grow, as is the case of Asia and the Gulf countries, or re-emerging into growth, such as North America and Europe. This provides space to accommodate some increasing supply volumes without running into serious over-supply.
 The so-called era of energy abundance or the boom in shale gas production, especially in the US, has boosted the overall gas supply. Interest in exporting gas has increased, and greater availability of LNG (Liquefied Natural Gas) means that international trade will play an ever-growing role in the global supply. LNG

«We are the largest world exporter of LNG and ExxonMobil has played a significant role in helping us attain a production capacity of 77 million tons per annum»

supply and demand projections, as well as independent third parties, clearly show a robust global demand during the forthcoming decades. There are many new LNG projects being implemented in the USA, Canada, Australia, East Africa and other regions. This evidences that there is a growing demand.
 In Qatar, we always value strong partnerships with leading companies and we firmly believe in long-term ties, based on

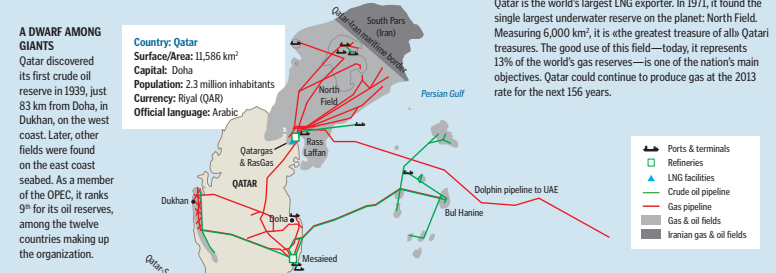
«Gas projects are capital intensive and have a high gestation period. In the current scope and world economy, it is not easy to monetize gas»

mutual benefits. We do not perceive the energy abundance as a threat; we identify it as an opportunity to consolidate relationships with our partners and reach the win-win goal we aspire for. The decade-old commitment between ExxonMobil and Qatar is much more than a joint-venture between partner and investor. It involved initiatives and projects to support our economic growth. Likewise, it shares the objectives of Qatar to advance in the field of science and technology through R+D. ExxonMobile Research Qatar Limited is an anchor tenant at the Qatar Science & Technology Park in Doha. We are the world's largest exporter of LNG and ExxonMobil has played a significant role in helping us attain a production capacity of 77 million tons per annum. It participated in twelve of the fourteen trains—liquefaction and purification plants to condense and compress the gas—for LNG in Qatar. Also, they are partners in other important projects such as Al Khaleej Gas, the Laffan refinery and the Barzan project.
Q: Oil and gas production in the US will increase with energy from shale gas. It has already been stated that the discovery of gas and crude oil using fracking—or hydraulic fracturing—has changed the power balance in the energy industry. Do you think that the Middle East, and more specifically Qatar, will continue

Energy infrastructure in Qatar

A DWARF AMONG GIANTS
 Qatar discovered its first crude oil reserve in 1939, just 83 km from Doha, in Dukhan, on the west coast. Later, other fields were found on the east coast seabed. As a member of the OPEC, it ranks 9th for its oil reserves, among the twelve countries making up the organization.

Country: Qatar
Surface/Area: 11,586 km²
Capital: Doha
Population: 2.3 million inhabitants
Currency: Riyal (QAR)
Official language: Arabic



A 6,000 KM² STAIN
 Qatar is the world's largest LNG exporter. In 1971, it found the single largest underwater reserve on the planet: North Field. Measuring 6,000 km², it is «the greatest treasure of all Qatar treasures. The good use of this field—today, it represents 13% of the world's gas reserves—is one of the nation's main objectives. Qatar could continue to produce gas at the 2013 rate for the next 156 years.



THE CROWN JEWEL
 Qatar Petroleum (QP), a 100% government owned corporation, was founded in 1974. It contributed 60% to Qatar's GDP in 2014, which was approximately €180,000 billion. The firm is responsible for the exploration, production, transportation, storage, marketing and sales of Liquefied Natural Gas (LNG) and GTL—natural gas transformed into liquid fuel—as well as petrochemical products and other derivatives. QP participates in and control more than seventy companies.

SOPHISTICATION OF A PORT
 Qatar has two industrial cities: Mesaieed and Ras Laffan, with this latter being the main gas hub. It covers 295 km²—approximately half of Madrid's surface area—and its 56 km² port is considered one of the world's largest exporters of hydrocarbons. In 2010, Qatar reached a milestone when the Ras Laffan port reached an export capacity of 77 metric tons per annum. This was achieved jointly between Qatargas and RasGas, with 42 and 35 million metric tons per annum respectively.

THE BLUE WHALE
 Q-MAX is the largest methane tanker in the world. It is the blue whale of the merchant marine; a supertanker measuring 345 meters in length—more than three soccer fields such as the Santiago Bernabeu Stadium—43.8 meters in width and 12 meters in height. It can transport 266,000 m³ of LNG. Unlike other methane tankers, it consumes 40% less energy. Right behind it is the Q-Flex, a vessel that has 217,000 m³ capacity. Qatargas ordered them in 2005 from Samsung, Daewoo and Hyundai. These three multinational companies have been awarded major infrastructure projects in Qatar. The emirate currently has 13 Q-Max and 19 Q-Flex, as well as ten other, less sophisticated vessels: the Q-fleet that loads up to 135,000 m³ and is used by Qatargas to ship LNG to Japan; and also five LNG methane tankers with exotic names that ship gas to Gas Natural Fenosa in Spain. Their dock in Barcelona, Cartagena, Bilbao, Huelva and Sagunto. These are Dukhan, LNG Aries, Norman Lady, Methane Polar and Gimi.

Prepared by authors, with sources: BP Statistical Review of World Energy, Jun. 2014. OPEC Annual Statistical Bulletin 2014, OIP, RasGas, Qatargas, Ras Laffan, QP, UNO Investors Relations Presentation, Sep. 2014. US Independent Statistics & Analysis Energy Information Administration Jan. 2014. Spain's Ministry of Foreign Affairs Diplomatic Information Office, Oct. 2014.

to be the *crème de la crème* for much longer?
A: Qatar has spent decades building its business to reach the summit of global LNG supply, to reinforce its position as the world LNG capital and to become the world's largest exporter. It has earned its reputation as a reliable and flexible partner with co-investors and buyers, covering the entire supply chain: field development, processing, storage and transport to the receiving terminals in major world markets on time with competitive prices.
 The US, with the non-conventional energy revolution of oil gas shale, Australia and its LNG projects and to a lesser degree the emerging industries of East Africa are set to become the latest hot spots and possi-

ble players to change the world playing field. Everything is transforming and reshaping the gas and oil industry.
 In Qatar, we believe that there is space for both the current and future players to tap into the market. The abundance of gas is but a consequence of more countries with supply capability; exceptionally, the current and future constraint may well be the gas supply rather than the demand. The global gas demand is growing quickly, driven by an expanding need for gas throughout the world; this is particularly true in Asia; China and other emerging Asian countries are witnessing this unprecedented demand. However, please remember that gas projects are capital intensive and have a high gestation period. In the current scope and

«Organizations such as the OPEC, of which Qatar is a member since 1961, make great efforts to maintain a stable oil market ensuring that the supply is mitigate price volatility»

world economy, it is not easy to monetize gas.
Q: There are opinions stating that traditional oil producers are intentionally increasing production and lowering prices to stop US investment in shale so that the technique seems unprofitable, and thus eliminates a future rival

and competitor. Any comments?
A: In recent months, the rapid decline in oil prices was driven by deceleration in Eurozone economies, growth in emerging economies lower than expected, in addition to the unbalance in supply and demand. Organizations such as the OPEC work towards guaranteeing stable oil prices that are vital for world economic well-being and, at the same time, allow producers to receive a fair return that can then be reinvested to guarantee future demand. They make great efforts to maintain a stable oil market ensuring that the supply is ahead of the demand to mitigate price volatility.
Q: How does Qatar balance its own production stability and price strategy aligned with the OPEC and its partnership with

Year	Key Event
1997	Gas Natural, according to its own sources, was Qatargas' (Qatar Liquefied Gas Co. Ltd) first European client. In 1997, both firms signed an initial, short-term contract that was renewed until 2001.
2001	Gas Natural and Qatargas signed two medium-term contracts to supply 12.6 million metric tons of liquefied gas until 2007 and 2009.
2003	July: Qatari RasGas signs a 20-year agreement with Endesa to supply 0.8 million tons of LNG per annum. October: King Juan Carlos & Queen Sofia of Spain travel to Qatar.
2004	Gas Natural and Qatargas extend their current contract from 2001 until 2012 and sign an additional contract to purchase 2 bn m ³ of LNG per annum over the next 20 years. Spain opens its Embassy in Doha; Qatar inaugurates its Embassy in Madrid. The Emir Hamad Bin Khalifa Al-Thani visits Spain.
2005	RasGas begins its deliveries to Endesa.
2006	April 26: State visit of Spain's Monarchs to Qatar.
2008	Sheikha Mozah Bint Nasser, the Emir of Qatar's second wife, visits Spain on January 15-16, 2008 to participate in the first forum for the Alliance of Civilizations. Mohammed Al-Sada, Minister of Energy and Industry visits Spain.
2009	January 10, «Mozah» docks in Bilbao. The tanker was named in honor of the Sheikha. It is the first Q-Max that Qatar launches. Only two of its five takes were fully enough to cover 70% of the gas consumed in the Basque Country in one year. After a 21-day sail, it took another 14 hours to offload the 140,000 m ³ of LNG.
2010	Repsol and Qatargas sign a multi-annual agreement by which the latter will supply Repsol Energy Canada Ltd. with LNG. Transportation to the Repsol CanadaportTM regasification terminal was undertaken using QMax and Q-Flex tankers. CanadaportTM is one of the few terminals at the global level where these super-tankers can dock.
2011	February 27-28: José Luis Rodríguez Zapatero, Spain's Primer Minister travelled to Qatar. April 25-27: State visit to Spain of the Emir of Qatar Hamad Bin Khalifa Al-Thani and his wife Sheikha Mozah.
2012	Gas Natural Fenosa where Repsol owns a 30% stake—and Qatargas initiate arbitration process regarding the price of gas delivered to Spain. The Qatari firm seeks an increase while Spain pushes for a price cut.
2013	Sheikh Hamad Bin Khalifa Al-Thani abdicates in favor of his son Tamim Bin Hamad Al-Thani. Foreign policies are maintained, although the new Sheikh is more sensitive to his nation's conservative opinions. Khalid Al Attiyah, Minister of Foreign Affairs of the State of Qatar travels to Spain.
2014	Gas Natural Fenosa reaches a supply agreement with Qatargas and litigations conclude. Jaime Garcia-Legaz, Secretary of State for Commerce and Pedro Argüelles, Secretary of State for Defense visit Qatar in February & March. In April, Qatar's Assistant Minister of Foreign Affairs, Mohamed Al Rumihi, visits Spain.

Warming up with gas from Qatar
 Spain has been purchasing gas from the emirate for the past 17 years

ABDULRAHMAN ALI AL-ABDULLA, CEO OF MUNTAJAT

«When it comes to business, it is the law of supply and demand that does the talking»

Qatar continues to invest and Muntajat is but an example of a \$100 million (€83 million) investment to market, sell and distribute the country's chemical and petrochemical products to the global market

Founded back in 2012, Muntajat is about to make the transition that will concentrate 10 million tons of chemical products, polymers and fertilizers per annum under a single arm. The government plans to duplicate that amount by 2023 and with that in mind, it has invested \$20 bn million (€16.5 bn). CEO Abdulrahman Ali Al-Abdulla is an expert in marketing; he earned a degree in the field from the University of Denver, Colorado, and among other positions, he spent twelve years as head of the commercial and marketing management of QAPCO (Qatar Petrochemical Company). He dominates the scene. He facilitates no figures regarding income or profit margins—nothing new among Qatari state-owned firms that are not listed on the stock market—but he mentions that for the first year of business, the turnover surpassed all expectations. Muntajat has opened fifteen international offices catering to 120 companies. «In China and India, Muntajat is a major player in the polymer and chemical product sector», states Mr. Al-Abdulla. «And in Australia, the US and Brazil an important shareholder in the fertilizer industry».



Abdulrahman Ali Al-Abdulla, Muntajat CEO.

received major support from Dutch authorities. They really made the extra effort; they came to Qatar and facilitated the process. This helped in making the final decision.

«Do you really think we don't like high prices? Our mandate from the State of Qatar is to maximize profits. If you had a business, would you lower prices?»

of your sales are in Asia. Why the Netherlands? And why The Hague when Rotterdam is the world's petrochemical capital? **—ANSWER:** We are probably the last to arrive in The Hague. All the big names are there: Aramco, Shell... In our case, the planning committee assessed five countries. Its reputation and strategic location; its proximity to the ports of Rotterdam and Antwerp as well as the Schiphol airport; and an open and international labor environment made it attractive. Likewise, we

centralize distribution thanks to an international network of Dutch affiliates. We are prepared for competition. What would life be without it? No doubt it would be boring! We like competition because it helps you to be more creative and develop your talent, you are more efficient and professional. Qatar is developing new, specialized chemical and petrochemical products to distinguish us from others. Muntajat will integrate these products into the portfolio. The Dutch affiliate will present them to customers and this will facilitate the communication process. It is essential that we understand customer needs

«A liter of bottled of water in Europe is more expensive than a liter of gasoline in Qatar. In Spain, it is just the opposite. It is the supply and demand that dictates the prices»

and requirements. We are also seeking to open new warehouse facilities so that deliveries can be made as quickly as possible.

—Q: To what extent are you concerned with the so-called new era of energy abundance and the production increase coming from the recently discovered shale gas?

—A: It is a hot topic for everyone, not only for Qatar and Muntajat. Global energy markets are changing, especially in North America. It is a challenge, but Gulf producers will be the last to feel the negative impact. We are

«We considered Spain to establish our world marketing office, but to be honest, English is a disadvantage; hiring staff that dominates English is complicated. Spanish is becoming the second most spoken language in the world, but behind English»

large scale integrated gas producers. Shale gas is changing the chemical and petrochemical map, but remember that falling crude oil prices below fifty US dollars means that those projects in the US will have to be reviewed and reconsidered if the price continues to drop. The OPEC does not control crude oil prices. Prices are determined by supply and demand. The OPEC only plays a role in that equation.

—Q: However, as producers, you can play within downward price movements and thus contribute the increasing investment capital being so high that gas explorations are no longer attractive. That is not a new theory.

—A: People talk, the media talks, but when it comes to business, it is the law of supply and demand that does the talking. Do you really think we don't like high prices? Our mandate from the State of Qatar is to maximize profits. If you had a business, would you lower your prices? Look at this bottle of water—as the interviewee takes some water bottled in Europe into his hand—a liter of this water is more expensive than a liter of gasoline. In your country, it is just the opposite. Once again, it

«What would life be without competition? No doubt it would be boring! We like competition because it helps you to be more creative and develop your talent, you are more efficient and professional»

is the supply and demand that is talking and the structure of each country. In Spain, the cost of hydrocarbons includes a percentage of taxes that the government receives therefore guaranteeing services for its citizens.

—Q: So, is or isn't shale gas a concern for the position you hold as CEO of Muntajat?

—A: We are not worried, but we must be prepared to continue being a reliable and credible supplier. The government has the capacity and will invest billions of dollars in the next few decades to expand our chemical and petrochemical sector. We have more projects, an extensive product portfolio and we will show that Qatar is very competitive in production terms. We are currently building up the know-how and our marketing capacity to face future competition.

—Q: To what extent is Latin America important for your product portfolio?

—A: It is one of the fastest growing markets and it is key when it comes to polymers, mainly LDPE and LLDPE, as well as fertilizers. More specifically we are interested in Brazil as it is one of the largest markets for fertilizers, especially urea.

—Q: Qatar is Spain's third largest supplier for LNG. Where does the Spanish market lie when it comes to chemical and petrochemical products?

—A: For Muntajat it is a strategic country as one of largest European markets for polymers. We sell LDPE, LLDPE, melamine and HDPE for Spanish customers. Nevertheless, the important increase of import duties applied to polymers and fertilizers this past fall—as we are considered a rich region—will impact on the end consumer in Spain. Producers will notice it, the agribusiness industry will feel it and no doubt, when I travel to Spain with my family and we go to a restaurant, my wallet will feel it too.

Qatar explores new alliances with several international oil and gas companies

Nasser Al-Jaidah, CEO of QP International, Qatar Petroleum's foreign investment arm, believes that Spanish companies are in a position to do a lot for the development of Qatar

In Qatar, it is said that if anyone knows anything about oil and gas, that person it's Nasser Al-Jaidah. Equally, he can be counted on when it comes to cooperating within the sector. He joined Qatar Petroleum (QP) at the end of the 1970s. A graduate of Geology and Petroleum Engineering, he is CEO of QP International (QPI), a 100% subsidiary of QP and the international investments arm for oil and gas abroad in upstream and downstream projects.

Talking about agreements that Qatar has with such Spanish firms as Endesa, Gas Naturalfenosa and Repsol, Mr. Al-Jaidah states that the presence of Qatar in Spain is quite obvious in the petrochemical sector. A number of agreements have been signed between Qatari and Spanish firms and he considers «the Spanish can help further the development in Qatar because of their competitiveness and global reputation».



Nasser Al Jaidah.

A billion dollar deal to access Brazil
The company's latest acquisition was in January of 2014—a 23% stake from Shell's Parque

«Parque Das Conchas is our first investment in South America and further evidence of QPI's commitment to diversified global upstream investments»

das Conchas project in Brazil for about \$1 billion. «This is our first investment in South America and further evidence of QPI's commitment to diversified global upstream investments», states Mr. Al-Jaidah.

In the United States, QPI is also co-owner, together with ExxonMobil and ConocoPhillips of the Golden Pass LNG regasification terminal in Sabine Pass, Texas. «It is among the largest LNG facilities in the world», he assures. It can accommodate up to 15.6 million

Qatari partners outside Qatar

Through QPI, Qatar liaises with partners who meet the requirement of being strong technologically as well as financially, and they enable new markets entry. Since 2007 QPI has secured a multibillion dollar portfolio within the UK, Italy, Greece, USA, Canada, Singapore, Vietnam, China, Egypt, Democratic Republic of Congo and Brazil. According to Mr. Al-Jaidah, QPI's success is indirectly attributed to the values of its business model and collaborative working relationship with its partners». So far, these are:

	EXXONMOBIL
	SHELL
	CONOCOPHILLIPS
	TOTAL
	CENTRICA
	PETRO CHINA
	GEK TERNA & QENERGY EUROPE
	PETRO VIETNAM
	SCG CHEMICALS

metric ton per year. «As such, it continues to be a critical asset to the US energy industry despite recent abundance of domestic resources».

The facility maintains all authorizations, operational capabilities and a ready to receive status, «serving as a safety valve for U.S. energy security, in the event of any market disruptions». In the United Kingdom, QPI is a co-owner, together with ExxonMobil and Total, of South Hook LNG. It is the largest of such terminals in Europe and is able to regasify 20% of Great Britain's LNG consumption.

QPI and ExxonMobil also have a joint-venture in Italy, together with Edison, in the northern Adriatic Sea. According to Mr. Al-Jaidah, «QPI is actively pursuing opportunities to enhance its portfolio diversification, leverage partnership with international oil companies an enter foreign markets».

SAAD AL-KUWARI, TASWEEQ CEO

«We are a reliable energy supplier with a stable, quality production»

«I share the opinion of the Qatari Minister of Energy and Industry when he emphasizes that the best way to strengthen the Qatari energy sector is to build strong, long-lasting relationships with leading companies such as ExxonMobil and ConocoPhillips, both from the US. Our country's success, when it comes to oil and gas, would not have been possible without the experience and know-how of our partners».

«Our country's success, when it comes to oil and gas, would not have been possible without the experience and know-how of our partners»

leading exporter of such goods is not an easy role to play. «Despite the difficulties, we have met our sales plan; 2014 was a successful year as we diversified our customer portfolio and increased our position in emerging markets such as India with LPG», he explains. «Today 95% of our sales are concentrated to the east of the Suez Canal, predominantly in Asia where Tasweeq is making the most of the new opportunities created by growth in industrial production and an improved standard of living. Our ties with our Asian customers come from afar. On the other hand, our sales to Europe are very limited», he clarifies. Except the occasional sale of sulfide to Brazil, the company exports very little to Latin America «because distance, in logistic terms, is a disadvantage». Nevertheless, Mr. Al-Kuwari has no doubt they will find synergies with the Latin American market, especially in the crude oil product sector.

«We encourage Latin American companies to diversify their imports including Tasweeq in their portfolio, a reliable energy supplier with a stable, quality production».

Looking to attract Spanish partners to Qatar

Almana is one of the main private groups in the emirate, and like its peers they are anxious to continue expanding their influence throughout the country's economic fabric. For decades, they have been involved in the development of infrastructures for the hydrocarbon sector, and have worked hand-in-hand with a number

of suppliers from Spain, including Técnicas Reunidas and Tubacex. «Spanish firms work well and have a good reputation. The challenge in Qatar is to understand the ins and outs of the market. In addition to oil and gas, we are well diversified. Now, we are greatly involved in the construction of infrastructures. We are

participating in the stadiums, the port, the National Water Safety Program... we are the ideal partner for them», states Ali Al-Khatir, General Manager of the Oil & Gas Division of Almama Group. What advice would you give them in Qatar? «Concentrate on what you know best and we will take care of providing local support».



«There are no bargains in Qatar»

Jaime Martínez Martín, General Manager of Grupo Terratest in Qatar, warns about the risk of arriving at the emirate with expectations that are far from realistic regarding deadlines and efforts needed to succeed

«Here, opportunities require an annual investment of €400,000 to allow to maintain a minimum office infrastructure and staff. There are no bargains in Qatar», warns Jaime Martínez Martín, General Manager of Terratest, the only subcontractor from Spain in the emirate, specializing in the geo-technical and microtunneling fields. «The market has no confidence in newcomers. I have seen companies come and go because they have failed to assess the time and effort necessary to mature. That is a waste of money», he ex-

plains while sitting in his modest office in Doha, away from glamorous skylines that identify this capital. They set up shop in Qatar well before the 2022 FIFA World Cup was granted. When in December of 2010 FIFA confirmed the event, it was time for them to move in. Now, most of the company's efforts focus on Ashghal road and drainage programs as well as the mega reservoirs and pumping stations. As it grows, so does its need for equipment and staff. «We have three tunnel boring machines. In a few months

we will bring in another five. We will need more engineers with at least 10 years experience. There are places in Qatar where mistakes are unacceptable», states the manager. For example? «Ras Laffan», an industrial city just 80 km north of Doha, the heart of Qatar's gas industry, managed by Qatar Petroleum. «Attaining work takes time and profits even more», explains Mr. Martínez, but he admits that when a client appreciates a company it is then that price competition is no longer key in the negotiation.



Jaime Martínez Martín.

The intestines of Qatar
IDRIS—a €2.3 billion wastewater treatment solution to Doha and other cities—is one of the many projects with opportunities for the sector. It all began in 2012 and must conclude by 2019. Among the tasks at hand is a 40 km tunnel of deep main trunk sewer and

«The market has no confidence in newcomers. I have seen companies come and go because they have failed to assess the time and effort necessary to mature. That is a waste of money»

over 70 km of lateral interceptor sewers, as well as more than 70 km of treated sewage effluent return mains and pump stations.

From Catar Terratest is scouting out the Arab horizon. The company that was recently purchased by a venture capital fund, owned by the owner of the Detroit Pistons, has fresh cash to attain high-flying goals: depending on a single country means that you are exposed to market fluctuations», remarks Mr. Martínez. That is why he is studying future possibilities in the region.

IÑIGO SATRÚSTEGUI, Q AIR GLOBAL GENERAL MANAGER

«When you are unaware of the problem, it is difficult to sell the solution»

The high level of pollution in Qatar opens the gates for a Spanish firm, as is the case of Aire Limpio

The World Health Organization (WHO) estimates that there are seven million deaths a year due to atmospheric pollution. In 2014 Qatar was ranked as one of the countries on earth with the most polluted air as it has some of the highest levels of PM2.5 particles. Such levels are extremely detrimental for health due to its capacity to penetrate the airway passages of the respiratory system.



Iñigo Satrustegui.

Iñigo Satrustegui, General Manager of Q Air Global, Qatar partner of the Madrid-based Aire Limpio—is specialized in environmental air quality and he assures that indoor air pollution can be five times higher than outdoor air. «It is all due to a variety of substances from construction materials and air conditioning systems, paint, varnishes, air fresheners that mask the odor, but are pollutants... That is what we are breathing. The good news is that it can all be treated». His job in Qatar is two-fold: «Iain contracts and educate customers regarding the repercussions that air quality has on people's health. «When one is unaware of the problem, it is difficult to sell the solution».

Importing business to Qatar

In 2011, the Sheikh and owner of Petroserv, the Qatari construction company that in 2014 acquired Harinsa—a subsidiary in Qatar of Alicante-based Ecisa—expressed interest in Aire Limpio. According to Juan Manuel Cadenas, Petroserv CEO, the idea is to have a diversified group and make it grow in sales. «Now, the group has a turnover

«According to the Environmental Protection Agency, 95% of our time is spent indoors. In Qatar, it reaches 98%»

«Indoor air pollution can be five times higher than outdoor air pollution»

buildings are subject to annual air quality verification and the laws regarding technical installations have very demanding requirements. Qatar has none of this». To facilitate it, he encouraged the authorities to create the Health Buildings Interest Group, in which he is the President of the vice-president being the Director of Environmental Health at Qatar Foundation (QF). From there a dozen companies are working to raise awareness and recommend the implementation of adequate guidelines.

When it comes to measuring air quality, the public sector has been the company's main customer, but to implement solutions, it is the private sector with whom more contracts have been signed. In the future, Mr. Satrustegui sees a growing market that includes the hospital sector and soccer stadiums. «A hospital has the same contamination sources as any other building as well as an additional source: the patients. The risk of suffering a nosocomial infection exists; it is acquired by patients in the hospital due to insufficiently sterilized air. In Spain, we have sterilized more than 400 rooms in 60 hospitals... Despite the difficulties we have faced to move forward, only in the last quarter we reached the breakpoint—we are here to stay and expand in the region.

FRANCISCO GARROTE, PRESIDENT OF THE SPANISH BUSINESS COUNCIL (SBC)

«In Qatar, the real boom starts now»

Francisco Garrote has been in Qatar for 15 years. He is the President of the Spanish Business Council (SBC) and partner of Seattle Trading & Contracting, the first Spanish firm registered in Qatar back in 1998. It offers a number of services, including consultancy, human resources and real estate. «We lost money the first three years. The boom in Qatar and the fruits (of our work) are coming in now», he assures.

«These seven years prior to the 2022 FIFA World Cup will be an impressive race»

the SBC; «we want to become a Chamber of Commerce to have greater influence and lobbying capacity. Qatar likes to move with institutions. We achieve importance under the sponsorship of Spain's Embassy. These sev-



Francisco Garrote.

As a representative of Spanish firms such as Navantia, they have created joint-ventures to submit bids to tenders. Over the years, they have participated in tenders worth €6 billion and they have been awarded €1.5 billion in projects. The first of these was in 2003 when Isox was granted its first substation for \$40 million (US). Since this past fall, Garrote presides

en years prior to the 2022 FIFA World Cup will be an impressive race. The largest projects have been assigned, but there is still a lot to do. For example, Ashghal, Qatar's Public Works authority, has almost 80% of the planning still pending; the horizon is not 2022 but 2030, in line with the Qatar National Vision (QNV), to become an advanced nation by then.

HENDRIK MEIMA, CEO OF CEINSA CONSTRUCTION WLL

«Qatar is a country of joint-ventures»

Upon being awarded the contract to build the Yacht Club in Lusail City, Ceinsa has become the fourth Spanish company to be involved in the development of this 35,000 million euro metropolis, Qatari Diar's flagship and natural extension of the Qatari capital

In mid-November of 2014, at the Ceinsa office in Doha, located in the popular Palm Tower in West Bay, an air of nervousness was easily felt. One could see the typical coming-and-going when a construction project is awarded. It was all about to begin; its first contract in Qatar was to design and build the Lusail Yacht Club, in Lusail City, for €19.3 million. This makes Ceinsa the fourth firm from Spain—behind SENER, FCC and Acciona—to give heart and soul to a city that was conceived as a futuristic and sustainable metropolis by Qatari Diar, the investment arm of Qatar's Sovereign Wealth Fund in real estate, through Lusail Real Estate Development Company (LREDC). Just 15 km north of Doha, with a 38 km² surface—slightly less than the Moncloa-Aravaca district in Madrid, which covers 44.93 km²—Lusail will have the capacity to house 200,000 residents and 170,000 employees. €35,000 million are being invested in the project. It will be dis-



Lusail Yacht Club, the nautical club being built by Ceinsa in Lusail City, north of Doha, the capital of Qatar.

«To submit abnormally low bids to win a project and later ask the client for a higher markup in order to cover unforeseen contingencies is unthinkable here—something that has been common practice in Spain in recent decades»



Hendrik Meima.

tributed into 19 neighborhoods and will have 4 islands, 22 hotels, a theme park and museums, in addition to shopping malls, like the one inspired by the Parisian Place Vendôme and adjacent Rue de la Paix. Approximately, €1.13 billion have been earmarked for this 800,000 m² of commercial space. As a comparative example, the largest shopping mall, cultural and recreational center in Spain is Puerto Venicia, in Zaragoza boasting 206,000 m². The Qatar development will connect the various neighborhoods with a canal that flow into the sea, a light railway—which is being supervised by SENER—pedestrian walkways such as the two being built by FCC, a golf course and a long list of services for the inhabitants. Some 80,000 people are expected to visit Lusail daily. Two years ago, when the future city was but a project and a huge stretch of land. Currently, there are 77 buildings going up

simultaneously at a good pace. Over the next 18 months, Ceinsa will be working there to execute its project, which is carried out as a joint-venture with the local firm Al Jaber Trading & Contracting.

Built to be admired
The Yacht Club is—as the client expected—an iconic project and a building to be admired in the same city where the stadium for the opening and closing of the FIFA 2022 World Cup will also be built. Ceinsa entrusted the task of designing the venue to the Madrid office of international architect firm Chapman Taylor.

For Hendrik Meima, the Dutch CEO of Ceinsa Construction WLL, in this Arab country, there are a lot of projects and one must seek the opportunities. Our strategy is to «select those

projects with a volume ranging between €50 and €200 million». According to him, success lies in studying the market well and developing a business plan prior to moving the executives and even participating in tenders. He spent two years traveling between Qatar and Spain to identify his competitors, develop a network of contacts and seek local partners. «This is a country of joint-ventures. We are registered as a local company, with 51% of the share capital in Qatari hands; that is our way of expressing confidence in Qatar and its people», he states. Recommendations? «Always work with a local partner and without rushing things, assess your options to avoid making mistakes when it comes to decision-making».

Solid contracts

In Qatar, lump sum agreements prevail. To submit abnormally low bids to win a project and later ask the client for a higher markup in order to cover unforeseen contingencies is unthinkable here—something that has been common practice in Spain in recent decades. «Beforehand, you have to accept the project conditions regarding deadlines and costs. The client understands that he has contracted with the best engineering firms and the best consultants in the world. Qatar organized the Asian Games in 2006; management improvements had to be made. Now, the country is well packed to have everything ready for World Cup in 2022. Additional costs and delays are not understood. That really puts the pressure on

construction companies». Along the years Ceinsa has undertaken infrastructure and building projects; it has built hospitals, high-speed railways, expressways, sports centers and the list continues. Aside from the yacht club, both Mr. Meima and the CEO of the main office seek projects in Qatar with high technical requirements, in which the firm stands out from existing competitors, and in consortiums with «robust» companies—provided by their local partner—to build hospitals, high-

«It is hard to live in Qatar. We demand a lot and at a frenetic pace. Despite the sacrifice, the Spanish team works as one and turns any project into a reality. They are well-trained professionals»

ways and other unique designs and construction projects, such as the yacht club. Among these is Ashghal Expressway Program, or some of the hospitals that Qatar has up for tender. «Ceinsa has

proven its international experience when it comes to executing hospital turn-key projects, explains Mr. Meima. The company has been prequalified for a number of tenders and is waiting to be awarded new projects in the emirate.

Last summer, Al Jaber Engineering, that also works with other Spanish companies such as HLG, a subsidiary of ACS, was awarded a contract to develop all of the infrastructures for the Seef Lusail North Front and Waterfront Commercial Districts in Lusail City. Objectively, this will open new possibilities for Ceinsa; however, the secrecy of the Dutch executive—as with any of the companies involved—is absolute and in line with the practices of the Qatari authorities, who don't like companies that count their chickens before they are hatched.

What worries Mr. Meima most right now? «My team. The unemployment rate in Spain means that they are here due to necessity. They have left families, children, wives, partners behind... They are alone and it is hard for them in Qatar. We demand a lot and at a frenetic pace. Despite the sacrifice, the Spanish team works as one and turns any project into a reality. They are well-trained professionals».

- SPECIAL FOUNDATIONS (PILEING, DWALLS, MICRO-PIILING, ANCHORING)
- SOIL IMPROVEMENTS (GRROUTING, GROUND FREEZING, SOIL COMPACTION)
- TUNNELING (MICRO-TUNNELING, NAM, WATERPROOF SYSTEMS)

E. Mail: infoqatar@terratestqatar.com Tel: +97 444 805 247 www.terratestqatar.com

HAMAD AL MULLA, CEO AND BOARD MEMBER OF KATARAHOSPITALITY

«Spain makes up more than 5% of Katara Hospitality's international hotel collection»

After acquiring the InterContinental Hotel in Madrid in 2014, the Qatari state-owned firm and owner of thirty luxury hotels throughout the world, does not exclude the idea of purchasing new assets in Spain

Katara is the ancient name given to Qatar by mapmaker Claudius Ptolemy in the 2nd century. It was the inspiration for the new identity of what was originally Qatar National Hotels, the network of state-owned hotels now known as Katara Hospitality. The firm belongs to Qatar Holding, the investment arm of Qatar Sovereign Wealth Fund. Today it stands for luxury as owner, developer and operator of hotels both in Qatar and abroad. Its portfolio contains a number of legendary names, including the Raffles Hotel in Singapore and Le Royal Monceau-Raffles in Paris. Its goal to have thirty hotels by 2016 was reached in 2014 with the purchase of five new properties managed by InterContinental in the Netherlands, Rome, Cannes, Frankfurt and Madrid. The company's new strategy is to double that number

—ANSWER: The strategy for any of our three fields of activity—hotel ownership, management and promotion—is to invest and create a collection of unparalleled properties in key international venues. Spain is a market where we have just arrived. We know the country as a leader tourist destination on the international scene, and that opinion is seen in our decision to invest in the InterContinental Hotel in Madrid. With 30 properties currently operational or under development, international hotels make up more than 63% of our portfolio. Our investment in Spanish hospitality market makes up more than 5% of our international hotel collection.



Katara Towers, under construction in Lusail City, is inspired in the two crossed swords on the Qatar coat-of-arms.

«As we have expanded our footprint into Spain, we will consider FITUR as a potential tourism fair to attend in the future»

Authority), Katara Hospitality... you all seem to prefer Barcelona, thus leaving Madrid in second place. Acquiring InterContinental Hotel Madrid has been through the first step forward. Do you have a strategy for Madrid, or was it a simple matter of chance that this property was part of an agreement with a private investor who sold you the 5-hotel package of InterContinental assets?

—A: The decision to invest in each of our international properties is jointly driven by the specifics of the hotel under consideration as well as the market it is located in. We are continuously looking to invest in a collection of unique properties in key sought-after international locations that also make solid business sense from an investment perspective. When acquiring a new property, we always look for something special, something extraordinary that sets that hotel apart. Following the investment in the InterContinental Madrid last year, we re-

main open to opportunities in Barcelona, Madrid and other cities in Spain, given that they are in line with our overall ethos and brand values.

—Q: The InterContinental Hotel in Madrid is in an exceptional location; however, it is neither the most iconic nor the most luxurious in its five-star category. Do you have plans to increase its reputation?

—A: It is a valuable addition to our global portfolio of iconic properties that have set the standards in the industry. It has allowed us to establish our presence in the Spanish hotel market. We will be looking to enhance future marketing plans for this property to further attract tourists and visitors from all over the world to this hospitality gem.

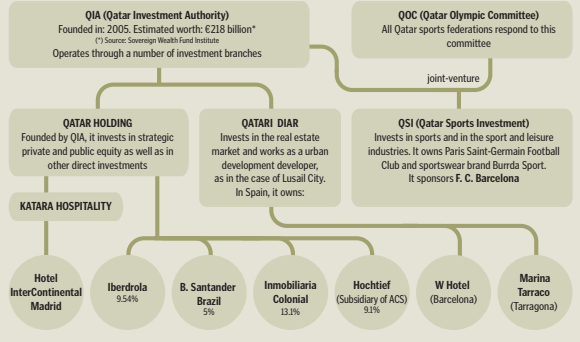


«We are continuously looking to invest in a collection of unique properties in key sought-after international locations that also make solid business sense from an investment perspective. When acquiring a new property, we always look for something special, something extraordinary that sets that hotel apart»

ber by 2026. Hamad Al-Mulla, CEO since 2011, has a degree in Hotel Management and Tourism from the University of Salzburg. During twenty years he has held a number of positions within the Katara Hospitality hotel network. Spain is now part of its plan.

—QUESTION: In 2014, Spain welcomed over 60 million tourists. What are your plans for this market?

Qatar Sovereign Wealth Fund and its ties with Spain



Melia's first hotel in Qatar opens today in Doha

By 2022, Qatar will need to have 60,000 hotel rooms ready to meet FIFA requirements

«Our competitors are top notch, but we know we can make the grade», confirms Angel Lobo, the Meliá Doha pre-opening General Manager. It is the first Spanish hotel in the Majorcan chain in Qatar and it opens its doors today. Its neighbors are five-star hotels in the West Bay area, one of the most desirable districts due to the amount of activity going on in there. In 2014 the Qatari market enjoyed an occupancy rate of about 72%, according to a Deloitte report. Between 2008 and 2013, demand in the emirate grew on average 11% annually and the offer by 13%. The objective of the authorities is to have 60,000 hotel rooms for the 2022 FIFA World Cup, thus meeting FIFA requirements. This fact together with the Qatari policy which seeks to turn the emirate into a center for major sports events gives the Meliá opening a special flavor. The latest statistics indicate that there are about a hundred ho-

In 2014, the Qatari market had an occupancy rate of about 72%, according to a Deloitte report

els in Qatar, with some 20,000 rooms. «We've managed to raise the flag on a project that is really worth the effort», states Mr. Lobo. One of his greatest concerns is hiring and training the staff. There will be some 300 employees, most of whom are Asian immigrants.

7 million tourists for 2030
In recent years, major hotel chains have landed in Qatar with a variety of strategies. Hilton General Manager, Adnan El Sebawi, for example, states that they will be pioneers opening hotels outside of Doha. «We will have a resort on the border with Saudi Arabia, right at the sea, which is an advantage over others».

—A: We cannot comment on behalf of other organizations, including Qatar Tourism Authority (QTA). From Katara Hospitality's perspective, we attend a number or international travel and tourism trade shows and events every year. As we have expanded our footprint into Spain, we will consider FITUR as a potential tourism fair to attend in the future.



Mireia Belmonte won 4 medals (2 World Records) at FINA Swimming World Championship (25 m.) at the Hamad Aquatic Center, Doha (Dec. 2014).

Championship after Championship

Just seven years away from the 2022 FIFA World Cup, Qatar continues to work against the clock to host some of the most prestigious international sports events. Elite athletes from Spain are behind their interest in sports, and when in Doha, they feel at home

«Qatar is a gift. The Qataris give the best of themselves and I can only respond with the same coin», commented this week Valero Rivera, Spanish coach of Qatar's National Handball Team just ahead of the 24th Men's Handball World Championship in Doha. In 2013, this Catalanian earned gold for Spain. Next week, his Qatari team will have to face Spain, where the defense players and goalkeepers are almost the same as when he left five years ago. «Yes, they can win us all, but we can win many», states Mr. Rivera when speaking about the group against which he will have to play. It will also be the first time that he faces his own son. In the light of the

Qatar is taking things so seriously that just seven years away from the FIFA's 2022 World Cup, they have managed to secure three World Championships: Boxing in October 2015, Gymnastics in 2018 and Athletics in 2019

controversy that Qatar generates as the location for international sports events, the Spanish coach of the Qatari team is an example of the important efforts carried out by athletes and the elite from the world of sports to capitalize on their position as a transit airport and the goal for 2030 is to welcome 7 million tourists.

became Asian Champions. Another Spaniard, Iván Bravo, is the General Manager of Aspire, the Qatar Academy for Sports Excellence. The football director is Roberto Olabe, former goalkeeper of Spanish soccer club Real Sociedad. In 2014, the Under-16 and Under-19 teams, both with Spanish trainers, qualified for the first time for the Asian Cup. «We are a world power in sports, but in Spain, there is a lack of resources. In Qatar, we have those resources as well as world class facilities», explains José Blasi, a tennis trainer from Barcelona working in the emirate. Other athletes working there share his opinion.

«You guys, the Spaniards, have taken over Doha», stated Julio Florián, the Ambassador for Peru in Qatar last November. Perhaps, the diplomat's comment is not as much of a reality as the desire of the Qatari sports authorities to make their capital city a reference when hosting elite events. They are taking things so seriously that just seven years away from the FIFA's 2022 World Cup, they managed to secure three World Championships for Qatar: Boxing in October of this year, Gymnastics in 2018 and Athletics in 2019; also, interest has been shown for other non-Olympic disciplines such as Moto GP. And that is without considering Swimming World Cup - Short Course in August and December of 2014 respectively. Mireia Belmonte from Spain broke two world records and won four medals under the watchful eye of Sheikh Saoud Al-Thani, General Secretary of the



Saoud Al-Thani at Doha Goals.

Qatar Olympic Committee (QOC) who gave her the medals. Qatar appreciates Spain's sports and shows it, for example, in the fact that although the emirate is the owner of Paris Saint-Germain, and in spite of their special love for England and English soccer, Sheikh Saoud Al-Thani has no problem in being recorded saying that there is no other country that has done more to market sports than Spain, and no better teams than Real Madrid and FC Barcelona. A member of the Qatar Sports Investment (QSI)—investment arm of the Qatar Sovereign Wealth Fund in the sports industry—whose signature appeared on the contract with FC Barcelona in 2010 assures that Barça was chosen because it was «simply the best». And further that although at the time, even Qatar thought it was an expensive investment, the impact that the sponsorship has had for the recognition of Qatar as a brand throughout the world was underestimated. That is an accomplished objective.

Spanish athletes are frequently seen in Qatar, and they have left their mark...literally. At Aspire, there is a framed blackboard with the signature of famous athletes; the largest group of Spaniards range from Rafa Nadal to Iker Casillas, without forsaking Fernando Hierro, Raúl González and Marc Márquez. Also, other celebrities have left their mark, such as Angel María Villar, president of the Royal Spanish Football Federation and Florentino Pérez, president of Real Madrid. Jorge Loren-

«You guys, the Spaniards, have taken over Doha», Julio Florián, the Ambassador for Peru in Qatar commented

zo is a common sight in Qatar; he is one of the few racing drivers who have won the Moto GP World Championship on the Lusail circuit.

«Today, Qatar is one of the best qualified countries thanks to its economic capacity, experience and political and social conviction to organize and host events as the world of sports deserves, whatever the international competition; not only based on the sports category—but of course including soccer—but even the Olympic Games. It is even better than countries that are generally considered experts in this field», states Juan José Morón, consultant for sports companies and FIFA Agent. The machinery is up and running.

Muntajat

A portfolio of products for a growing world.



With customers in more than 120 countries, Muntajat is proud to offer Qatar's chemical and petrochemical products to every corner of the globe. We deliver fertilisers to food producers and supply facilities around the world with the raw materials they need to keep the wheels of production turning.

To learn more about our portfolio of products and the services we provide, visit www.muntajat.qa.

Products that enrich the world

Chemicals | Polymers | Fertilisers

Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.J.S.C.
 Contact us at: Chemicals@muntajat.qa - Polymers@muntajat.qa - Fertilisers@muntajat.qa
www.muntajat.qa



Muntajat