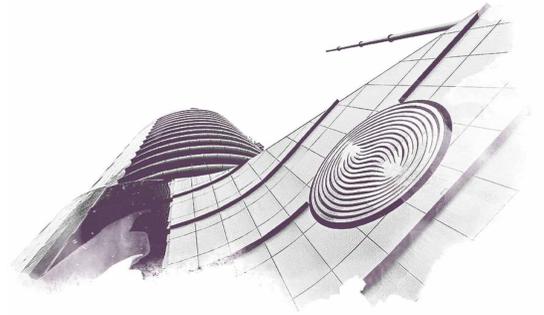


Roadmap of Establishing a Company in the Qatar Financial Centre: Part One

Qatar Financial Centre (QFC) offers a broad range of professional services to local and international companies. As per Law no. 7 of 2005, it permits Qatari as well as non-Qatari individuals and entities to set up companies or corporate branches in Qatar with absolute ownership and 100% control over established companies. Under the aegis of the QFC, established companies are allowed to perform and carry out a range of business opportunities. Consisting of, but not limited to, regulated activities such as financial services; non-regulated activities i.e. shipbroking and classification services which vary from advisory in tax, consultancy or public relation. The fast growing onshore business platform has seen an expeditious growth of 33% considered as the highest since 2005. The most registered companies vary from commercial business, financial services to investment advisories. We note that the QFC attracts worldwide attention, including of United States, Canada and Germany. Additionally, the QFC has recently announced their strategic vision and aims to focus more in sectors such as Fintech, Digital, Media and Sport as they are contributing to the growth of Qatar's economy.



Process of Establishment:

The process of establishing an entity in the QFC follows two stages. During the first stage, the interested company (Client) shall submit a business case which goes through assessment in order to ensure the proposed activities fall within the range of permitted activities in QFC. During this stage, Sharq Law Firm offers the Client assistance in reviewing and adapting their business plan, by ensuring compliance with QFC requirements and regulations to increase the success rate of applications. In addition to liaising between QFC and the Client throughout the full establishment process. The review of the business case by the QFC takes an approximate of six business days, which could vary based on the business case and the sector the Client wishes to operate in.

Once the business plan get QFC's approval, the QFC business analyst invites the Client to proceed with licensing and registration. In practice, the license application process often involves a preliminary meeting with the licensing team within the QFC to provide a guidance on the forms and requirements at greater detail. A relationship manager is also assigned to the Client as a focal point to assist during the licensing application. At this stage, the licensing team valuates the provided information by the Client regarding its business, the management team and the proposed activities. If all criteria's are met, the licensing team issues a QFC license and register the Client's company. The timeline for this stage is approximately around five business days from the date QFC receives complete documentation. Once stages one and two are complete, the Client shall be ready to operate business after paying a one-time application fee of USD 5,000 and an annual fee of USD 5,000. It must be noted that non-Qatari Clients are subject to 10% Tax on Locally Sourced Income.

There are many reasons why the QFC is an attractive platform for companies to establish in Qatar.. The QFC has its own courts, regulations and laws that are based on English common law. The simplified tax environment and the possibility of conducting business without any currency restriction in Qatar is also a decisive factor why companies establish under the QFC. At Sharq Law Firm, we assist our clients in guiding them throughout the whole process, assisting in filling all required documents as elaborated above in addition to advising on QFC laws and regulations to ensure clients compliance.



Rashid Al Saad
Senior Partner



Nabil Qanoune
Senior Associate



Abubakar Mahmoud
Paralegal

Connect With Us.



SharqLawFirm



@SharqLawFirm



Sharq Law Firm



sharq-law-firm



@SharqLawFirm