

# Law No. 13 of 2000 Regulation of the Investment of Non-Qatari Capital in the Economic Activity 13 / 2000

Number of Articles: 20



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## **We, Jassim bin Hamad Al-Thani, Deputy Emir of the State of Qatar,**

Having considered the Amended Provisional Constitution, particularly Articles 22, 23, 34, and 51 thereof;  
The Commercial Companies Law promulgated by Law No. 11 of 1981, as amended by Law No. 9 of 1998;  
The Customs Law promulgated by Law No. 5 of 1988, and the amending laws thereof;  
Decree-Law No. 25 of 1990 on the Regulation of Investment of non-Qatari Capital in the Economic Activity, as amended by Law No. 9 of 1995;  
The Income Tax Decree-Law No. 11 of 1993;  
Decree-Law No. 22 of 1993 on the Regulation of the Ministry of Finance, Economy and Trade, and functions thereof,  
The proposal of the Minister of Finance, Economy and Trade;  
The draft law submitted by the Council of Ministers, and  
After consulting the Shura Council,  
**Have issued the following Law:**

## **Part 1**

### **Definitions**

Article 1 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005):

In the implementation of the provisions of the present Law, unless the context otherwise requires, the following words and terms shall have the meanings hereunder assigned to them:

“**Ministry**” means the Ministry of Economy and Trade.

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“**Non-Qatari Investors**” means people of non-Qatari nationality, whether natural or legal persons, who invest their money direct on investment projects authorised by the State of Qatar in accordance with the provisions of the present Law.

**"Non-Qatari Invested Capital"** means whatever is invested by a non-Qatari citizen in cash and/or in-kind and rights of monetary value in the State of Qatar including:

1. Cash transferred to the State through banks and licensed financial companies.
2. Assets in kind imported for investment purposes, in accordance with the provisions of the present Law.
3. Profits, revenues, and reserves accumulated from the investment of non-Qatari capital in any project if added to the capital of this project or if invested in any of the projects permitted under the provisions of the present Law.
4. Moral rights such as licenses, patents and trademarks registered in the country.

**"Non-Qatari investment"** means a non-Qatari capital invested in activities permissible under the provisions of the present Law.

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## **Part 2**

### **Investment of non-Qatari capital**

Article 2 (Amended By Law 1/2010) (Amended By Law 6/2006) (Amended By Law 2/2005) (Amended By Decree 31/2004) ★

(Amended pursuant to Article 2, Law No. 1 of 2010)

2.1. Subject to the provisions of item 2.3 of this Article, Non-Qatari investors may invest in all sectors of national economy, provided that they have a Qatari partner(s) who contribute by no less than 51% of the capital, and that the company has been founded in accordance with the provisions of the Law.

2.2. However, by a decision of the Minister, Non-Qatari investors may exceed the proportion of their contribution of the 49% up to 100% of project capital, in the fields of agriculture, industry, health, education, tourism, development, exploitation of natural resources, energy, mining and business consultancy, technical, information technology, cultural, sports, entertainment and distribution services. The Council of Ministers reserves the right to add any other fields in the areas stipulated in the preceding paragraph.

2.3. Non-Qatari investors are prohibited to invest in the following areas:

1. Banks and insurance companies, excluding exceptions by a decision of the Council of Ministers.
2. Commercial agencies and real estate procurement.

2.4. Non-Qatari investors may have a ratio of not more than (25%) of the shares of joint stock companies offered for trading on the Doha Stock Exchange, unless the institutional contract agreement or statute of any of these companies includes rates in excess of the aforementioned percentage. In the latter case, the rates specified in the institutional contract agreement or statute shall be approved by a decision of the Council of Ministers on the proposal of the Minister.

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Article 3 (Amended By Law 2/2005) ★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

The Minister has the right to grant licence, after consultation with relevant authorities, to Non-Qatari companies that are bound by business contracts in the State of Qatar. Such companies must as a requirement need such licences to execute their contracts, facilitate a performance or serve a public utility.

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Article 4 (Amended By Law 2/2005) ★

Unless otherwise specifically provided for in the present Law. The acquisition of a licence necessary to engage in any of the activities by a non Qatari investor shall be in accordance with the provisions of the laws in force in the country where the activity is to be conducted

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## **Part 3**

### **Investment Incentives**

Article 5 (Amended By Law 2/2005) ★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

Non-Qatari investors may be allocated the land necessary to set up their investments thereon, by a way of a renewable rent for a long period of not more than 50 years.

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Article 6 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

Non-Qatari investors may import whatever they need to establish their investments, to operate and to expand their projects in accordance with the laws in force in the State of Qatar.

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Article 7 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

The Minister as defined by this law may:

- (a) exempt from income tax a non-Qatari capital invested in the sectors provided for in Article 2 of this law for a period not exceeding ten years from the start date of the investment project,
  - (b) grant exemption to a non-Qatari investment from payment of import duties on machinery and equipment necessary for the establishment of the project and
  - (c) grant exemption to a non-Qatari investment in the industry sector from import duties on raw and semi-manufactured production materials that are unavailable in the local markets.
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Article 8 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

8.1. Non-Qatari investment, direct or indirect, shall not be subject to expropriation or any equivalent act, unless it is for the public interest. Expropriation shall be non-discriminatory, expedient, and appropriate and in accordance with legal procedures and the general principles stipulated in item 8.2. of this Article.

8.2. Compensation in respect of expropriation shall be equivalent to the market value of the expropriated investment at the time of expropriation or announcement thereof. Furthermore compensation in this regard shall be valued based at the economic situation prior to any threat of expropriation. The compensation will be paid without delay and in accordance with prevailing currency exchange rates. Interest will be calculated in accordance with the prevailing interest rate in the country on the day of payment.

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Article 9 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

9.1. Non-Qatari investors shall be entitled to conduct private money transfers pertaining to their investments from abroad into the State of Qatar. These transfers may be in the following forms:

- (a) Returns on investment revenues.
- (b) Income from the sale or liquidation of all or some of the investment.
- (c) Income from the settlement of investment disputes.
- (d) Compensation provided for in Article 8 of this law.

9.2. These transfers may be done in any convertible currency, at the exchange rate applicable on the date of conversion.

Article 10 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

1. Non-Qatari investors are entitled to transfer the ownership of an investment to another non-Qatari or national investor or to waiver same to a national partner in the case of partnership, provided it is done in accordance with the laws and regulations in force.
2. In all the cases in item 1 of this article. Investment shall continue to be considered in accordance with the provisions of this law, provided the new investor continues to work on the project and assumes similar rights and obligations.

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Article 11 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005):

All disputes between non-Qatari investors and other parties shall be resolved through local or international arbitration.

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**Part 4**

**General Provisions**

Article 12 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005):

The provisions of this Law shall not apply to the following entities:

- (a) Companies and individuals who are assigned to extract or manage natural resources under concession or special contracts, subject to the provisions of their concession contracts .
- (b). Non Qatari investors in partnership with companies set up by government and public institutions and/or companies to which public institutions contribute and in accordance with Article 90 of the Commercial Companies Law.

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Article 13 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

Non-Qatari investors shall maintain the integrity of the environment against pollution; comply with laws, regulations and instructions pertaining to security and public health. Furthermore non Qatari investors will not jeopardize the public order and public morals of the state of Qatar.

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Article 14

The provisions of this law shall not prejudice the privileges, tax exemptions and incentives guaranteed by the law for companies when it is implementation.

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**Part 5**

**Penalties and Final Provisions**

Article 15 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

Non Qatari investors shall be notified by the Minister of any violation of any provision of the present Law. The violation must subsequently remedy within a period not exceeding three (3) months from the date of notification.

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Article 16 (Amended By Law 2/2005)★

(Amended pursuant to Article 1 of Law No. 2 of 2005)

16.1. Non-Qatari investors who engage in economic activities in violation of the provisions of this law shall be liable to a fine of not less than fifty thousand (QR50000) but not more than one hundred thousand (QR100000).

16.2. Similarly, Qatari nationals who engage in economic activities in violation of the provision of this law in cohorts with a non-Qatari investor shall be liable to a fine of not less than fifty thousand (QR50 000) but not more than one hundred thousand (QR100000).

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Article 17

1. Professional employees delegated by the Minister, shall have the status of judicial authority in monitoring and proving crimes committed in violation of the provisions of the present Law and Executive Decisions made in accordance thereof.

2. To execute their tasks and enforce their authority, they shall have access to businesses subjected to this law. Furthermore they shall have access to the documents and records of all businesses subjected to this law when required.

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Article 18

Law No. 25 of 1990 shall be repealed. Furthermore any provision of any other law contradicting the provisions of this law shall also be repealed

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Article 19

The Minister shall issue regulations and decisions necessary to implement the provisions of the present Law, including the assigning of fees.

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Article 20

All competent authorities, each within its jurisdiction, shall implement this law. This law shall be enforced on the date of publication in the Official Gazette.

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