



CAPITAL MARKET DEVELOPMENT IN QATAR

DOHA, 12th June 2008

QFCRA CHIEF LOOKS AHEAD TO CAPITAL MARKET DEVELOPMENT IN QATAR

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SAYS QFCRA CEO

Speaking at a global markets conference in Washington this week, Qatar Financial Centre Regulatory Authority (“QFCRA”) Chairman and CEO Phillip Thorpe has suggested that the expected launch of a single integrated financial regulator in Qatar will encourage moves towards much needed capital market reform in the region.

Thorpe told the audience of international regulators that growth rates in the GCC were at unprecedented levels and the economic prospects were very encouraging. These factors were leading to massive capital inflows and high levels of liquidity. However, GCC capital markets would have to meet a number of challenges if they were to deliver their full potential and meet the needs of investors in the region.

He identified the need for improvements across a range of areas, including growing the skills and experience base of the marketplace, together with the need to address such matters such as the supply of reliable data and analysis, the need for higher corporate governance standards, and greater transparency. Noting that these were common challenges for emerging markets, Thorpe expressed optimism, given the political will in favor of such developments. In particular he noted the important steps being taken in Qatar, as evidenced by the creation of a single regulator.

Thorpe observed that the Qatari Government had provided consistent encouragement and support for reform, as shown by the development of the Qatar Financial Centre, and through more recent reforms relating to the establishment of a market oversight authority.



He noted:

“the Government of Qatar has consistently pursued a campaign of reform; for instance seeking to put in place a legal and regulatory environment meeting the highest international standards through the establishment of the QFC. The announcement in 2007 of plans for an integrated regulator is the logical “next step” in that path of development.”

Thorpe went on to say “capital market development is essential to the growth of Qatar. The creation of a strong stock market and associated capital markets should be recognised as vital financial services infrastructure necessary to support the growth of the economy.”

“Businesses in Qatar are increasingly demanding high quality and sophisticated financial services. Consumers too are expecting a financial services environment in which they can have confidence and which will serve their long term savings and investment needs. I am certain that the new integrated regulator will produce significant benefits for Qatari businesses and consumers alike, and the Government’s commitment to high standards will set a benchmark for capital market development in the region.”

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About the QFC Regulatory Authority

The QFC Regulatory Authority is an independent regulatory body established by Article 8 of the QFC Law. It regulates firms that conduct financial services in or from the QFC. It has a broad range of regulatory powers to authorise, supervise and, when necessary, discipline firms and individuals. The QFC Regulatory Authority regulates firms using principle-based legislation of international standard, modeled closely on that used in London and other major financial centres. Further details are available on the website, www.qfcra.com

About the Qatar Financial Centre

The Qatar Financial Centre (QFC) is a financial and business centre established by the Government of Qatar and located in Doha. It has been designed to attract international financial services institutions and major multi-national corporations and to encourage participation in the growing market for financial services in Qatar and elsewhere in the region. The QFC operates to international standards and provides a first class legal and business infrastructure for those doing business within the QFC. The QFC was created by QFC Law No.(7) of Qatar and has been open for business since 1 May 2005.

About the QFC Authority

The QFC Authority is the commercial, administrative and legislative body responsible for driving the commercial strategy of the QFC and for developing relationships with the global corporate community and other key institutions both within and outside of Qatar. More information on the QFC Authority is available at www.qfc.com.qa

About Qatar

In 2005 a nationwide referendum overwhelmingly approved a new constitution providing for Qatar's first legislative election and an independent judiciary. It has one of the world's fastest growing economies, is on course to be the world's leading exporter of liquefied natural gas and has an active programme of infrastructure investment and economic diversification.