

His Excellency

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Qatar Today

Allow me to start my presentation by giving you a brief overview of what Qatar is today. During the last decade the State of Qatar has witnessed a phenomenal shift towards modernization in all aspects of life. Based on our national leadership's clear and bold vision, we started implementing reforms in the state's economic, social and political structures, believing that development is a complete process, and that we should embark accordingly upon comprehensive plans and programs to succeed in today's rapidly changing world.

On the economic level, our government's reform program has paved the way to a freer and more market-oriented economy, and the State continually enacts legislation to reinforce this trend while creating a sound business environment and investment climate for our international partners based upon transparency, fairness and openness.

In order to offer the optimal incentives for investors, the State of Qatar has taken several steps to minimize, and on occasion eliminate, bureaucratic hurdles and procedural restrictions, especially in the area of imports, and has offered the free repatriation of foreign capital, profits and assets, as well as a stable U.S. dollar exchange rate. In addition, the State of Qatar has implemented a number of favorable tax laws that include exemption from income tax during the first 10 years of an investment project.

Through attractive investment packages, Qatari law allows full foreign shareholding of investments in sectors such as industry, agriculture, mining, energy, tourism and contracting. And to ensure continued economic success and development, the Qatar Financial Center has been established to attract international financial services institutions and major multi-national corporations to share in the vision of a long-term and mutually beneficial partnership with the State of Qatar.

On the political level, Qatar is actively engaged in a process of completing the build-up of a modern institutionalized state on the basis of its own constitution and the rule of law, in order to guarantee civil rights and to define the privileges and the obligations of citizenship.

Qatar has taken long strides on the path of democracy and has come a long way

in broadening the scope of popular participation in running the country's affairs by establishing its first ever parliament.

Currently, preparations are underway to hold the first parliamentary elections next year as per the new constitution which was endorsed by an overwhelming majority of Qatar's citizens in April 2003, and issued formally on June 8, 2004.

On the social level, Qatar has paid considerable attention to issues of health care, education and scientific research. We have long recognized that the most enduring source of success is our people. Therefore numerous programs, initiatives and plans are being implemented to reform the overall educational structure in order to prepare the coming generation of engineers and scientists.

A clear example of that is the establishment of Education City in 2003—a huge development comprising branches of some of the world's most prestigious universities specializing in medicine, technology, art and science such as: Georgetown, Texas A&M, Weill Cornell, Carnegie Mellon, and Virginia Commonwealth.

An example of steps taken by Qatar to advance scientific research is the Science and Technology Park that offers state-of-the-art facilities and a unique collaborative environment for companies and institutions engaged in scientific and technological research and development activity. It fosters a strong interactive relationship between scientific research conducted at Education City's institu-

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tions, on the one hand, and companies like ExxonMobil and Microsoft, on the other hand, in an ideal environment that provides the latest technologies.

The Science and Technology Park offers a combination of free-zone benefits, allowing tenants to independently own and operate a local entity, and a tech-

ing today. More than 60 percent of Qatar's total Gross Domestic Product (GDP) is generated by the oil and gas sector, and the government depends greatly on revenues from producing and exporting various types of hydrocarbon products to build the supportive infrastructure. During the last 10 years, Qatar's GDP soared from \$17 billion in 1995 to more than \$40 billion in 2005. This growth is partly due to the increase in oil prices, but mostly due to well-studied plans and very ambitious and diversified strategies.

Qatar's economic strength is founded on its hydrocarbon resources. A major part of our strategy for the development of these resources is to establish partnerships with leading international companies. These partnerships give us access to a wide range of world class technical, marketing and management skills.

Through Exploration and Production Sharing agreements with some of the world's renowned energy companies,

Qatar is planning to boost oil production capacity to reach a level of 1.1 million barrels per day by the year 2010, and by the year 2012 our Liquefied Natural Gas (LNG) production will reach 77 million tons per year. In addition, several world-class gas -to liquid conversion projects are in various phases of development, the first of which is now in its commissioning phase.

Today, cooperation between the U.S. and Qatar in the energy sector is greater than ever. Built upon positive cooperation and trust, Qatar has established a very strong partnership with the leading

U.S. companies in the oil, gas, gas-to-liquid, and petrochemical industries. Our joint ventures with ExxonMobil, ConocoPhillips, and Oxy, for instance, have undertaken tens of billions of dollars in investment commitments during the next five years.

Such projects will foster strong business relationships and help build a strategic partnership between the two countries and further improve our bilateral relations. By the end of the decade, Qatar will be supplying the United States with about 30 million tons of LNG per year, nearly half of the U.S.'s net LNG imports. The growing natural gas markets in the U.S. and other countries are a key element in our LNG marketing strategies.

To meet such export opportunities, Qatar is building the world's largest liquefied natural gas trains with a capacity of 7.8 million tons-per-annum. Qatar has and will continue to play a major role in meeting energy demands of its customers around the world.

Through careful planning and hard work we aspire to continue the course of reform, development, and modernization in all aspects of life in Qatar. And we will exert all our efforts to complete building a state of institutions and law, provide the best education possible for our people, and maintain an attractive business and economic environment for our investors.

Our endeavor in this regard over the past few years has resulted in many achievements and benefits, both for our own country and our trading partners. We expect this endeavor to continue for a long time to come.

Thank you, ladies and gentlemen, for your kind attention.



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nology-supported environment for R&D science labs.

Other developments are also taking place, such as improvements in Qatar's comprehensive medical and health care services, construction of a world-class airport, mega-projects in water and electricity, all aimed at keeping pace with the booming urban development Qatar is now witnessing.

Ladies and gentlemen, I will now shed some light on Qatar's energy sector, as it is the driving force behind the economic growth that Qatar is experienc-

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