



ENHANCING TRADE AND ECONOMIC
COOPERATION IN

**EU - QATAR
RELATIONS**



INTRODUCTION

TODAY, QATAR IS ONE OF THE RICHEST COUNTRIES IN THE WORLD, DUE TO OIL AND NATURAL GAS, PETROLEUM AND NATURAL GAS ARE BOTH THE CORNERSTONES AND BACKBONE OF QATAR'S ECONOMY. MAKING QATAR THE WORLD'S LARGEST EXPORTER OF LIQUEFIED NATURAL GAS (LNG). QATAR IS RANKED 14TH IN THE WORLD ON OIL PRODUCTION AND 59TH IN THE WORLD ON OIL CONSUMPTION MAKING MORE THAN 70% OF TOTAL GOVERNMENT REVENUE, MORE THAN 60% OF GROSS DOMESTIC PRODUCT, AND ROUGHLY 85% OF EXPORT EARNINGS.



ALTHOUGH YOU MAY BELIEVE THAT QATAR MOSTLY RELIES HEAVILY ON LEVERAGING ITS HYDROCARBON RESOURCES MAY BE RISKY AND CAN CAUSE FUTURE BANEFULNESS.

HOWEVER, QATAR ANNOUNCED THAT IT WOULD BOOST ITS LIQUEFIED NATURAL GAS (LNG) FROM 77 MILLION TONS PER YEAR TO 126 MILLION TONS IN PRODUCTION BY THE YEAR 2027.

THIS MEANS THAT, WITHOUT NET EXPORTS, THERE WOULD BE ABOUT 402 YEARS OF OIL LEFT, LEAVING MANY OTHER COUNTRIES TO RELY ON QATAR AS WELL.

QATAR DELIVERED 16% OF ITS LIQUEFIED NATURAL GAS (LNG) SUPPLIES TO THE EU IN THE FIRST TEN MONTHS OF 2022. IT IS THE EU'S SECOND-LARGEST SUPPLIER, AFTER THE UNITED STATES AND AHEAD OF RUSSIA.

EU DELEGATION TO QATAR REPRESENTS THE EUROPEAN UNION IN QATAR AND PLAYS AN ESSENTIAL PART IN THE EU'S POLITICAL, ECONOMIC, AND COMMERCIAL RELATIONS. AS WELL AS PROVIDING INFORMATION ON THE POLICIES AND INSTITUTIONS OF THE EU TO BUILD BRIDGES BETWEEN THE EUROPEAN AND THE QATARI SOCIETIES AND CITIZENS THROUGH FURTHER BROADENING COOPERATION ON ENERGY, INDUSTRY, TRADE AND SERVICES, AGRICULTURE, FISHERIES, INVESTMENT, SCIENCE, TECHNOLOGY, AND ENVIRONMENT.

QATAR'S ECONOMY IS HEAVILY DEPENDENT ON OIL AND NATURAL GAS EXPORTS.

QATAR'S ECONOMY HAS HISTORICALLY BEEN HEAVILY DEPENDENT ON OIL AND NATURAL GAS EXPORTS. THE COUNTRY IS KNOWN FOR HAVING ONE OF THE LARGEST RESERVES OF NATURAL GAS IN THE WORLD, WHICH HAS PLAYED A SIGNIFICANT ROLE IN ITS ECONOMIC DEVELOPMENT. OIL AND GAS EXPORTS CONTRIBUTE A SUBSTANTIAL PORTION OF QATAR'S GOVERNMENT REVENUE AND GROSS DOMESTIC PRODUCT.



HOWEVER, THERE ARE STILL OPPORTUNITIES FOR COOPERATION AND COLLABORATION BETWEEN QATAR AND THE EU IN OTHER SECTORS. QATAR HAS BEEN INVESTING IN AREAS SUCH AS INFRASTRUCTURE, REAL ESTATE, FINANCE, AND TOURISM, WHICH CAN ATTRACT FOREIGN INVESTMENT FROM EU COUNTRIES.

ADDITIONALLY, QATAR'S STRATEGIC LOCATION AND WELL-DEVELOPED INFRASTRUCTURE MAKE IT A HUB FOR INTERNATIONAL BUSINESSES AND A GATEWAY TO THE GULF REGION.

THE ROLE OF ECONOMIC DIVERSIFICATION IN ACHIEVING SUSTAINABLE DEVELOPMENT IN GAS

ECONOMIC DIVERSIFICATION IS ESSENTIAL FOR BOTH QATAR AND THE EUROPEAN UNION (EU) IN ACHIEVING SUSTAINABLE DEVELOPMENT IN THEIR RESPECTIVE GAS ECONOMIES.

QATAR IS ONE OF THE WORLD'S LARGEST NATURAL GAS PRODUCERS AND HEAVILY RELIES ON GAS EXPORTS FOR ITS REVENUE. ECONOMIC DIVERSIFICATION CAN HELP QATAR REDUCE ITS DEPENDENCE ON GAS REVENUES, WHICH ARE SUBJECT TO PRICE FLUCTUATIONS. BY DIVERSIFYING ITS ECONOMY, QATAR CAN CREATE ALTERNATIVE SOURCES OF INCOME, ENSURING REVENUE STABILITY AND REDUCING VULNERABILITY TO GLOBAL GAS MARKET VOLATILITY.



THE EU HEAVILY RELIES ON GAS IMPORTS, AND DIVERSIFICATION OF ENERGY SOURCES IS A KEY PRIORITY. ECONOMIC DIVERSIFICATION IN THE EU GAS ECONOMY INVOLVES REDUCING DEPENDENCE ON A SINGLE SUPPLIER OR ROUTE. BY DIVERSIFYING ITS ENERGY SOURCES, THE EU CAN ENHANCE ITS ENERGY SECURITY, AND PROMOTE A COMPETITIVE GAS MARKET.

TRADE AGREEMENTS

INTERNATIONAL COOPERATION IS A KEY TO GLOBAL GROWTH, OVER THE PAST TEN YEARS, IN THIS CONTEXT, QATAR HAS SUCCESSFULLY ESTABLISHED DIRECT COMMERCIAL ROUTES WITH A NUMBER OF STRATEGIC HUBS AROUND THE WORLD.

QATAR HAS SIGNED TRADE AGREEMENTS WITH THE WORLD'S BIGGEST ECONOMIES, GIVING OUR INVESTORS ACCESS TO EVERY MAJOR MARKET IN THE WORLD WHICH INCLUDES BOTH MULTILATERAL AND BILATERAL TRADE AGREEMENTS SUCH AS CUSTOMS COOPERATION AND PROTECTION AGREEMENTS.

WITH MAJOR GLOBAL ECONOMIES LIKE CHINA, FRANCE, TURKEY, AND INDIA. QATAR HAS SIGNED 61 BILATERAL INVESTMENTS BOTH IN ARAB COUNTRIES IN THE GULF AND NORTH AFRICA IN ORDER TO EASE TRADE AND INVESTMENT RESTRICTIONS.

QATAR IS A STRONG SUPPORTER OF REGIONAL INTEGRATION AND HAS TIES WITH SEVERAL ARAB LEAGUE MEMBER STATES. AS A MEMBER OF THE GULF COOPERATION COUNCIL (GCC) AND A SIGNATORY TO THE GCC FREE TRADE AGREEMENT (FTA).

THIS AGREEMENT DOES NOT ONLY UNIFY ALL INVESTMENT-RELATED LAWS AND REGULATIONS BUT ALSO PROVIDES DUTY-FREE ACCESS TO ALL GOODS PRODUCED IN THE GCC STATES AS IT ALSO HELPED TO FACILITATE REGIONAL TRADE AS WELL AS REDUCE/ELIMINATE TRADE BARRIERS BETWEEN THE STATES.



RECOMMENDATIONS

1. QATAR SHOULD PRIORITIZE ECONOMIC DIVERSIFICATION TO REDUCE ITS RELIANCE ON OIL AND NATURAL GAS. INVESTING IN SECTORS LIKE INFRASTRUCTURE, REAL ESTATE, FINANCE, AND TOURISM WILL CREATE ALTERNATIVE SOURCES OF INCOME AND ATTRACT FOREIGN INVESTMENT. STRENGTHENING COOPERATION WITH THE EU IN AREAS SUCH AS ENERGY, TRADE, AND INVESTMENT WILL FURTHER ENHANCE QATAR'S ECONOMIC STABILITY AND LONG-TERM SUSTAINABILITY.

2. BOTH QATAR AND THE EU SHOULD GIVE HIGH IMPORTANCE TO DIVERSIFYING THEIR ECONOMIES IN THE GAS SECTOR IN ORDER TO ACHIEVE SUSTAINABLE DEVELOPMENT. QATAR SHOULD CONCENTRATE ON DEVELOPING ALTERNATIVE SOURCES OF INCOME TO REDUCE ITS DEPENDENCE ON GAS REVENUES AND ENSURE MORE STABLE REVENUE STREAMS. ON THE OTHER HAND, THE EU SHOULD STRIVE TO DIVERSIFY ITS ENERGY SOURCES, REDUCING ITS RELIANCE ON A SINGLE SUPPLIER OR TRANSPORTATION ROUTE TO STRENGTHEN ENERGY SECURITY AND FOSTER A COMPETITIVE GAS MARKET. BY PURSUING ECONOMIC DIVERSIFICATION, BOTH QATAR AND THE EU CAN ESTABLISH LONG-TERM SUSTAINABILITY AND MINIMIZE THE POTENTIAL RISKS ARISING FROM FLUCTUATIONS IN THE GAS MARKET.

3. QATAR SHOULD PERSIST IN ENHANCING ITS TRADE AGREEMENTS WITH SIGNIFICANT ECONOMIES AND REGIONAL ALLIES TO SUPPORT WORLDWIDE ECONOMIC EXPANSION. THE EMPHASIS SHOULD BE ON FOSTERING COLLABORATION, EASING TRADE AND INVESTMENT LIMITATIONS, AND ENCOURAGING REGIONAL INTEGRATION. FURTHERMORE, QATAR SHOULD CAPITALIZE ON ITS MEMBERSHIP IN THE GULF COOPERATION COUNCIL (GCC) AND THE GCC FREE TRADE AGREEMENT (FTA) TO STRENGTHEN TRADE FACILITATION AND REMOVE OBSTACLES. THESE ENDEAVORS WILL OPEN UP AVENUES FOR QATARI INVESTORS AND BUSINESSES TO ENTER GLOBAL MARKETS, STIMULATING ECONOMIC GROWTH AND ADVANCEMENT.

4. WHILE QATAR'S ECONOMY HEAVILY RELIES ON OIL AND GAS EXPORTS, IT IS CRUCIAL TO PURSUE DIVERSIFICATION INTO OTHER SECTORS SUCH AS INFRASTRUCTURE, REAL ESTATE, FINANCE, AND TOURISM. QATAR SHOULD ACTIVELY SEEK COLLABORATION AND INVESTMENT FROM EU COUNTRIES IN THESE SECTORS. LEVERAGING ITS STRATEGIC LOCATION AND STRONG INFRASTRUCTURE, QATAR CAN BECOME A REGIONAL HUB AND ATTRACT INTERNATIONAL BUSINESSES. DIVERSIFYING THE ECONOMY WILL REDUCE DEPENDENCE ON OIL AND GAS, PROMOTE SUSTAINABLE GROWTH, AND STRENGTHEN PARTNERSHIPS WITH THE EU.

CONCLUSION

QATAR'S ECONOMY IS HEAVILY DEPENDENT ON OIL AND NATURAL GAS EXPORTS, WHICH CONTRIBUTE SIGNIFICANTLY TO GOVERNMENT REVENUE, GDP, AND EXPORT EARNINGS. DESPITE THE ASSOCIATED RISKS, QATAR PLANS TO INCREASE LIQUEFIED NATURAL GAS PRODUCTION TO SOLIDIFY ITS GLOBAL SUPPLIER STATUS.

HOWEVER, BOTH QATAR AND THE EU RECOGNIZE THE IMPORTANCE OF ECONOMIC DIVERSIFICATION. QATAR AIMS TO REDUCE VULNERABILITY TO GAS MARKET FLUCTUATIONS BY GENERATING ALTERNATIVE SOURCES OF INCOME, WHILE THE EU SEEKS TO DIVERSIFY ENERGY SOURCES FOR ENHANCED SECURITY AND MARKET COMPETITION. QATAR HAS ESTABLISHED TRADE AGREEMENTS WITH MAJOR ECONOMIES, ENABLING TRADE AND INVESTMENT OPPORTUNITIES.

ALTHOUGH QATAR'S ECONOMY HEAVILY RELIES ON GAS EXPORTS, THERE ARE PROSPECTS FOR COLLABORATION IN SECTORS LIKE INFRASTRUCTURE, REAL ESTATE, FINANCE, AND TOURISM, ATTRACTING INVESTMENTS FROM THE EU. FURTHERMORE, QATAR'S STRATEGIC LOCATION AND WELL-DEVELOPED INFRASTRUCTURE MAKE IT AN APPEALING BUSINESS HUB AND GATEWAY TO THE GULF REGION.

ACKNOWLEDGEMENT

THIS POLICY BRIEF WAS WRITTEN IN THE JEAN MONNET MODULE, A PART OF THE DOHA COURSES ON EU LAW, MADE POSSIBLE BY THE SUPPORT OF THE ERASMUS+ PROGRAMME OF THE EUROPEAN UNION IN PARTNERSHIP WITH THE CENTRE FOR LAW AND DEVELOPMENT AT COLLEGE OF LAW, QATAR UNIVERSITY.

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