

Prepared by the Embassy in Abu Dhabi, UAE.

Summary

- The 2022 FIFA Men's World Cup provides Qatar with a once in a generation global platform to promote its slick infrastructure and governance skills, come next November when the opening whistle sounds.
- Qatar's preparations are steaming ahead to welcome over 1.5 million football fans in just over a year's time. With COVID safety a priority, all visitors will need to be vaccinated.
- As the host of a global event Qatar has faced greater scrutiny of the situation for workers and introduced a number of new measures particularly for those working on World Cup infrastructure.
- Economically, the World Cup is looking like a win for Qatar, when it comes to boosting international visitor numbers and the construction sector contributing an expected \$US20 billion to Qatar's economy (equivalent to about 11% of the country's GDP in 2019).
- New Zealand businesses can look to leverage the World Cup, with particular opportunities in the areas of food and beverage, entertainment, healthcare, and security.
- These opportunities are boosted by Qatar's focus in recent years to create a more business friendly environment.

Report

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- The first match of the FIFA Men's World Cup kicks off on 21 November 2022 and its host Qatar, is putting significant effort into ensuring not only its success, but also to put their international reputation up in lights with next year's World Cup being the first ever held in an Arab country. The tournament will be held from 21 November – 18 December 2022 to avoid the height of summer.

The infrastructure is nearing completion...

- At every turn, new football stadiums are rising out of the desert in Qatar, each with their own design with links to Qatar's traditional culture. One is shaped like a traditional dhow boat and another like a woven hat known as a "gahfiya," mostly worn by men in Gulf countries as a base for their traditional white headscarves. The eight stadiums being constructed for the World Cup are nearing completion and Qatar's hosting of the FIFA Arab Cup in November is expected to be a test-run for FIFA's flagship event, including making use of the new stadiums. Over 100 new hotels are also being built to support the anticipated boost in visitors. Expansion to Hamad International Airport will support and facilitate air transport during the Arab Cup and the World Cup and will contribute to Qatar cementing its role as a global transit hub as well as supporting the air transport sector, contributes key facet of Qatar's economic diversification plans. This focus on strengthening tourism related infrastructure not only supports Qatar's World Cup ambitions, but also its National Vision 2030 goal of turning the country into a world-leading destination.
- The Supreme Committee for Delivery and Legacy (SC), is responsible for Qatar's preparations for the World Cup, overseeing all construction and infrastructure projects. The Committee, as well as Qatari leadership, want to ensure sustainability was at the core of World Cup planning, and have established a Sustainability Strategy aimed at delivering a tournament that sets new benchmarks for social, human, economic and environmental development. It is said that the event will build a lasting, sustainable legacy that contributes to the United Nations Sustainable Development Goals and the Qatar National Vision 2030. It is hoped that this approach will change the way future World Cups and other major sporting events are planned.

- This sustainability strategy is reflected through the major infrastructure projects for the Cup, including Ras Abu Aboud stadium, which is touted as the first built in World Cup history that is planned to be entirely dismantled and materials be repurposed following the Cup. It is built out of 974 shipping containers at the Port, with all containers made from recycled steel. Further environmental measures include: minimising water use during construction, minimising waste sent to landfill and measuring, minimising, and offsetting all World Cup greenhouse gas emissions.
- Since winning the World Cup bid, a Metro and light rail system has been constructed, country-wide upgrades have been undertaken along major road systems, and public transport services have been expanded and significantly improved. In April, Qatar announced that over 1,100 electric buses would be available to transport fans and visitors around the World Cup venues. The enhanced rail connectivity will carry a legacy beyond the World Cup, better connecting Qatar to the rest of the Gulf region in the future, with the Doha Metro forming part of a GCC wide rail system that is under development.

... With a significant financial injection to boost the economy...

- Qatar's economy is already forecast to see strong growth in 2021, with the World Bank projecting 3% growth before accelerating to 4.1% in 2022. The positive growth trajectory is largely due to enhanced LNG demand globally and South and East Asia underpinning medium-term prospects as well as the rapprochement of Qatar with the GCC in January 2021. The lifting of restrictions from other Gulf countries with Qatar has reopened export markets that had been closed since mid-2017 and has contributed to a rebound in tourism (half of all tourist arrivals come from Saudi Arabia prior to 2017). The World Bank acknowledges that it will be important for Qatar to continue its diversification efforts, given its enduring oil revenue dependence. The 1.5 million+ visitors anticipated to attend the World Cup (COVID travel restrictions dependent), and introduction of a value-added tax this year is expected to support diversification.
- Qatar's spending on the 2022 World Cup has been significant, with Invest Qatar announcing in May 2021 that the country had committed \$US200 billion in investments in supporting infrastructure for the event, with Bloomberg Intelligence announcing the total value of all the infrastructure plans to be at \$US300 billion.
- It is anticipated that Qatar's investment in the World Cup will also provide an economic boost, which is not a given with the recent Tokyo Olympics exemplifying the challenges faced when hosting such events during a pandemic. Hassan Al Thawadi the Secretary-General of the SC has said that "we anticipate the contribution to the economy essentially would be around about \$US20 billion" with the tourism and construction sectors being the key winners. This contribution is equivalent to about 11% of the country's GDP in 2019.
- In addition to growing key sectors, foreign direct investment into Qatar is intended to also see an increase from the World Cup. FDI inflows took a hit from 2017 up until January 2021 (when the Al Ula Declaration was concluded), falling from \$US986 million in 2017 to -\$US2.8 billion in 2019, according to the UN Conference on Trade and Development.
- Qatar Airways, a major economic contributor, has grown its share of the global aviation market during the pandemic. Qatar Airways hired new staff, expanded its network, and maintained key flight routes (including to New Zealand via Australia) – leading to Qatar holding a significant portion of global passenger and airfreight market share throughout the pandemic. With the World Cup, Qatar Airways will continue to leverage its leading role to promote Qatar as a global hub for goods and people, and leading tourist destination.

... And stringent COVID protocols...

- To ensure the Cup's success and safety of attendees, Qatar announced in mid-2021, that they will only allow people fully vaccinated against COVID-19 to attend next year's World Cup. Qatar's Prime Minister Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani advised media that while Qatar expected that most countries will have vaccinated their populations by the end of 2022, Qatar was still committed to taking measures to ensure a successful event. In June Al Thani announced that "we are currently negotiating with a company to provide one million doses of COVID-19 vaccines in order to immunize and vaccinate some of those coming to Qatar". In August, FIFA and Qatar organisers announced that vaccines would also be mandatory for all ticket holders for the 2021 Arab Cup. This firmly cements Qatar's approach to a COVID safe World Cup come 2022 and their commitment to hosting a major event with an audience.
 - A recent change to Qatar's entry policy will also lend positively to Qatar welcoming fans in person, with borders
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reopening in mid-July but only to tourists who are fully vaccinated with vaccines approved by Qatar's Ministry of Public Health (PfizerBioNTech, Moderna, AstraZeneca and Jansen with those vaccinated with Sinopharm requiring some additional measures) with no need to quarantine upon arrival. Qatar had previously implemented stringent travel and border restrictions in March 2020, with tourists only being able to enter Qatar with this most recent border change. However, with vaccine rates rising with 82.1% of the eligible population having received two doses, and case numbers lowering with a rolling 7 day average of 87 cases as of 5 October, Qatar is hoping that easing travel restrictions will lead to an influx of tourism and an economic boost ahead of the World Cup.

... And consideration given to cultural differences...

- The question of alcohol at the World Cup has arisen since Qatar won the bid to host the tournament in 2010. The sale and consumption of alcohol is tightly controlled in Qatar. Under current rules, any tourists visiting Qatar for the Cup would not be able to purchase alcohol from a bottle shop but only from specific licensed bars and restaurants in hotels. However, organisers have granted a concession where fans will be able to drink in designated fan zones as part of high-end hospitality packages at stadiums.

... And the treatment of migrant workers continues to be a focus of international attention...

- As the host of a global sporting event, Qatar has received greater scrutiny, including from international NGOs and media, of the domestic human rights situation, particularly the situation of labourers. FIFA and local organisers have responded to concerns for the Cup, by developing a set of specific welfare standards for workers contributing to FIFA World Cup projects. These standards cover each worker's entire employment journey – from recruitment to repatriation – and are enforced by a four-tier audit system that includes a third-party independent monitor.

... Opportunities for New Zealand businesses

- Qatar is positioning itself to capitalise on the international attention that comes with hosting a global sporting tournament through numerous newly implemented measures to improve its business environment to attract more business. Like other Gulf countries, including the UAE, Qatar in 2019 eased restrictions on foreign investment to boost inward flowing capital – a move which diversifies the largely dependent oil and gas economy. Foreigners can have 100% ownership in certain sectors. In 2020, Qatar also introduced a public-private partnership (PPP) law which provides investors with co-ownership of infrastructure assets they have developed under long-term concessions. These liberalisation efforts could attract US\$1.5 billion in FDI flows, with investment targets including fintech, advanced manufacturing, healthcare, smart cities, logistics and supply chains, education, artificial intelligence and information and communications technology. In 2020, Qatar ranked 77th among 190 economies in the ease of doing business, according to the latest World Bank annual ratings.
- There has been increased interest from New Zealand businesses in exporting to the Qatar market, with some specifically identifying the World Cup as a key opportunity. These include companies involved in manufacturing, security, entertainment, and healthcare products. With the ease of travel and its close proximity, there may also be opportunities for New Zealand businesses during the World Cup in Dubai – with a possible influx of visitors looking for hospitality, where high quality New Zealand products already perform strongly.
- Hospitality is a key part of the World Cup, and also a key opportunity for New Zealand food and beverage exporters, with hotels and fan zones requiring food and beverage products. It will be key for New Zealand companies to build awareness of their products that hotels can align with, as there is considerable competition in this space. Acquiring food and beverage contracts in Qatar relies on a procurement system based on a distributor already in market so interested New Zealand businesses will need to be proactive to be able to grasp these opportunities and spend time on the ground in market to establish relationships.
- Given New Zealand has hosted large scale sporting events before, including the Rugby World Cup and America's Cup, there may be opportunities in sharing New Zealand's expertise through consulting work, in particular around managing logistics.
- Looking to the Qatar market beyond the World Cup specifically, there has also been significant interest from Kiwi companies in the food and beverage, healthcare and health-tech sectors, aviation, education technology, manufacturing, government to government and fintech/digital tech, with opportunities also in agriculture.

How can we help you?

We have a network of posts in the Middle East and Africa, including the Embassy in Abu Dhabi (UAE) and Riyadh (Saudi Arabia). New Zealand Trade and Enterprise (NZTE) is located in Dubai and Riyadh.

The New Zealand Consulate in Dubai has been providing regular updates for markets around the world, including the Middle East on the NZTE website, see [here](#) for more information. In market, NZTE also works directly with NZTE customers.

NZInc continues to work together closely to seek the latest information and possible opportunities for New Zealand businesses.

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If you wish to contact the New Zealand Business Councils focused on the Middle East region, please visit their website for further information:

New Zealand Business Council (Dubai): <https://nzbc.me/>

New Zealand Middle East Business Council: <https://www.nzmebc.org.nz/>

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