

TD 05 : A Look into Qatar's Flourishing Entrepreneurial Ecosystem

It is a known fact that the success of entrepreneurial firms depends not only on the quality of the entrepreneurs but also on the quality of the environment that surrounds them. That environment is known as the “entrepreneurial ecosystem” of a region. The quality of the entrepreneurial ecosystem and the constant efforts to improve it are the key factors that enable fast-growing and innovative economies. A thriving entrepreneurial ecosystem consists of business schools, incubators, angel investors, venture capitalists, development banks, hackathons, and more to flourish.

Qatar, one of the GCC countries, is fast becoming a leading entrepreneurial hub. Qatar's entrepreneurial ecosystem supports business creation and development. In this article, we will examine the flourishing entrepreneurial ecosystem in Qatar and its future.

What Has Changed in Qatar?

In line with the objectives of Qatar National Vision 2030, the country has made several efforts to reduce its dependence on gas and oil industries and transform into a knowledge-based economy, making itself a regional hub for knowledge and high-value industrial and economic activities. This transformation relates to support for innovation, technology development, and entrepreneurship, among others. The Total Early-stage Entrepreneurial Activity (TEA) rate has grown year by year in Qatar, and unemployment remains close to 0 percent.

Qatar's Flourishing Entrepreneurial Ecosystem

1. **Symbiotic Relationship:** Qatar has advanced well in adapting the local conditions and creating a synergistic relationship between universities, government, industry, and abundant access to capital.
2. **World-Class Educational Institutions:** In Qatar, education is free in government schools, and students are provided with textbooks and school transportation. For higher education, Qatar has several world-class educational institutions that support the country's transition towards a knowledge-based economy. The institutions provide education and training to increase the quality of entrepreneurial initiatives and reduce the risk of failures. They also foster a network of entrepreneurial leaders who can support each other, exchange ideas and experiences, and provide thought leadership and high-quality academic research. That is why the government and the private sector recognise universities' importance in delivering human capital infrastructure and fostering more innovative projects.
3. **International Universities:** The country has nine satellite campuses of top global universities in Education City. In terms of support for entrepreneurship and innovation, these international universities in Education City are very active and collaborative with government initiatives. They have varying impacts because most of their alumni communities are formed by high-level executives and current leaders of government institutions in Qatar.

4. **Entrepreneurial Support Organisations:** The support organisations in Qatar include incubators and accelerators, associations, and consulting firms.
 - Some specific support institutions, such as Qatar Foundation, Qatar Development Bank (QDB), and Qatar Financial Centre, provide remarkable support, guidance, and expertise for other organisations involved in education, science, and technology.
 - In Qatar, you can find offices of the Big 4 consultancy firms: Deloitte, PwC, Ernst & Young, and KPMG.
5. **Incubators and Funding Structures:** Qatar has also made significant efforts to create substantial institutions to help entrepreneurs, such as incubators and funding structures. These include the Enterprise Qatar, Social Development Center, Silatech, INJAZ Qatar, Center for Entrepreneurship, Qatar Business Incubation Center (QBIC), Digital Incubation Center (DIC), Qatar Science and Technology Park (QSTP), and Qatar Foundation (QF), among others.
 - **The Qatar Business Incubation Center (QBIC)** offers mentorship, financial support, and space for Qatari entrepreneurs and Qatar residents. It acts as a seed investor or helps connect entrepreneurs with capital in many cases. The QBIC also has two sub-incubators – the QBIC Tourism incubator and the Digital & Beyond incubator.
 - **Oasis500**, an accelerator that invests in tech and creative industries, is one of the first startup accelerators in the MENA region.
 - **Flat6Labs** is a regional startup accelerator program that fosters entrepreneurship and invests in aspiring entrepreneurs with innovative ideas. It provides seed funding, strategic mentorship, a creative workspace, several perks, and entrepreneurship-focused business training. It directly supports Qatar's startups through an expansive network of partner entities, mentors, and investors.
 - **Entrepreneurial “Qatar Science & Technology Park” Programmes:** The Qatar Science & Technology Park is a facility comprising office and laboratory space that provides incubation, funding, training, mentorship, and connection to the regional and global tech innovation ecosystem. Therefore, this facility is highly relevant to Qatar's entrepreneurial “Qatar Science & Technology Park programs designed primarily for students in Education City, who may want to become entrepreneurs with adequate guidance and support.
6. **Favourable Business Conditions:** Qatar is building promising entrepreneurial framework conditions that include creating or bringing the right talent, providing financial sources, and establishing ideal regulatory requirements for businesses and entrepreneurs. The Qatar National Vision 2030 plan stimulates a business climate to attract foreign funds and technologies and encourage national investments.
7. **Support to Women Entrepreneurship:** There are more than 18 universities with different speciality areas in Qatar, and there is no limitation on participation by women. Student enrolment in universities includes more women than men, and the leaders recognise women as more capable entrepreneurs. Women in Qatar are taking advantage of world-class education to pursue entrepreneurial careers.

8. **Financial Sources:** Entrepreneurs that require financing for their projects can find some alternatives in Qatar, such as seed capital, debt, venture capital, and equity.
- **The Qatar Foundation** has served as a seed capital provider through different initiatives like research grants and competitions across several institutions.
 - **The Qatar Development Bank (QDB)** is a leading institution that offers financial services, banking, and loans to develop sectors, such as industrial, tourism, education, healthcare, agriculture, animal resources, and fisheries. The QDB is the primary government entity responsible for promoting entrepreneurship and small and medium enterprises in Qatar. It provides mainly seed capital and loans to business initiatives.
 - **The Middle Eastern branch of the Angel Investment Network:** For entrepreneurs seeking investment opportunities like seed capital or private capital to expand their business, the Middle Eastern branch of the Angel Investment Network offers connections within Qatar, bringing together companies looking for investment and investors with the capital, contacts, and knowledge to help them succeed.
 - **Doha Tech Angels:** Among the critical seed funding investors in Qatar is Doha Tech Angels, which provides seed capital to Series A funding for early-stage disruptive technology startups in Qatar, the Middle East, and internationally.
 - **Silatech** is another key stakeholder of Qatar's entrepreneurial ecosystem that promotes large-scale job creation, entrepreneurship, access to capital and markets, and the participation and engagement of young people in economic and social development.
 - **Venture Capital Firms:** There are some venture capital firms, including the Draper Investment Company, Dar Al Tawreeq, Wamda, and Doha Venture Capital, that have led the most active funds of venture capital in the country.
9. **Entrepreneurial Support from Government:** Entrepreneurship support from Qatar's government is high. The Qatari government is allocating time and effort to achieve the Qatar National Vision 2030. This Vision aims to foster investment in world-class infrastructure, build efficient delivery mechanisms for public services, create a highly skilled and productive labour force, and of course, support the development of entrepreneurship and innovation capabilities.
- **Easy Tax Regime:** Qatar has the world's second-easiest tax regime, which can be attractive for multinational companies and investors that come to this country.
 - **Specialised Institutions to Support Economic Activity:** In some sectors, there are specialised government institutions that support economic activities, such as the Qatar Tourism Authority, which forms and administers the rules, regulations, and laws relating to the development and promotion of tourism in Qatar.
 - **The Ministry of Transport and Telecommunications** plays a significant role in transport and information technologies to build a knowledge-based economy that reflects Qatar National Vision 2030. This Ministry organises the land and maritime businesses, develops and improves transport services, and fosters a competitive environment conducive to investments, among other things.

- **Collaborative Financial Institutions:** In the financial sector, other government institutions collaborate to create a vibrant ecosystem, including Qatar Exchange Venture Market, Qatar Stock Exchange, Qatar Financial Markets Authority, and Qatar Central Bank.
- **The Qatar 53 Chamber of Commerce & Industry** is an association whose key role is to organise business interests and represent the Qatari private sector locally and globally.

Conclusion:

Following experts' perception, Qatar has all the necessary entrepreneurship conditions to become a leading ecosystem in the short term. It just needs to continue moving in the right direction, attracting investors and entrepreneurs and improving local policies affecting businesses.

However, Qatar's business setup and registration process remain very complex and bureaucratic. That is why it is best to hire professional business setup support services from Creative Zone consultants, who are familiar with the Qatari legislation.

REF : <https://www.creativezone.qa/>