KPMG

Infrastructure Insider

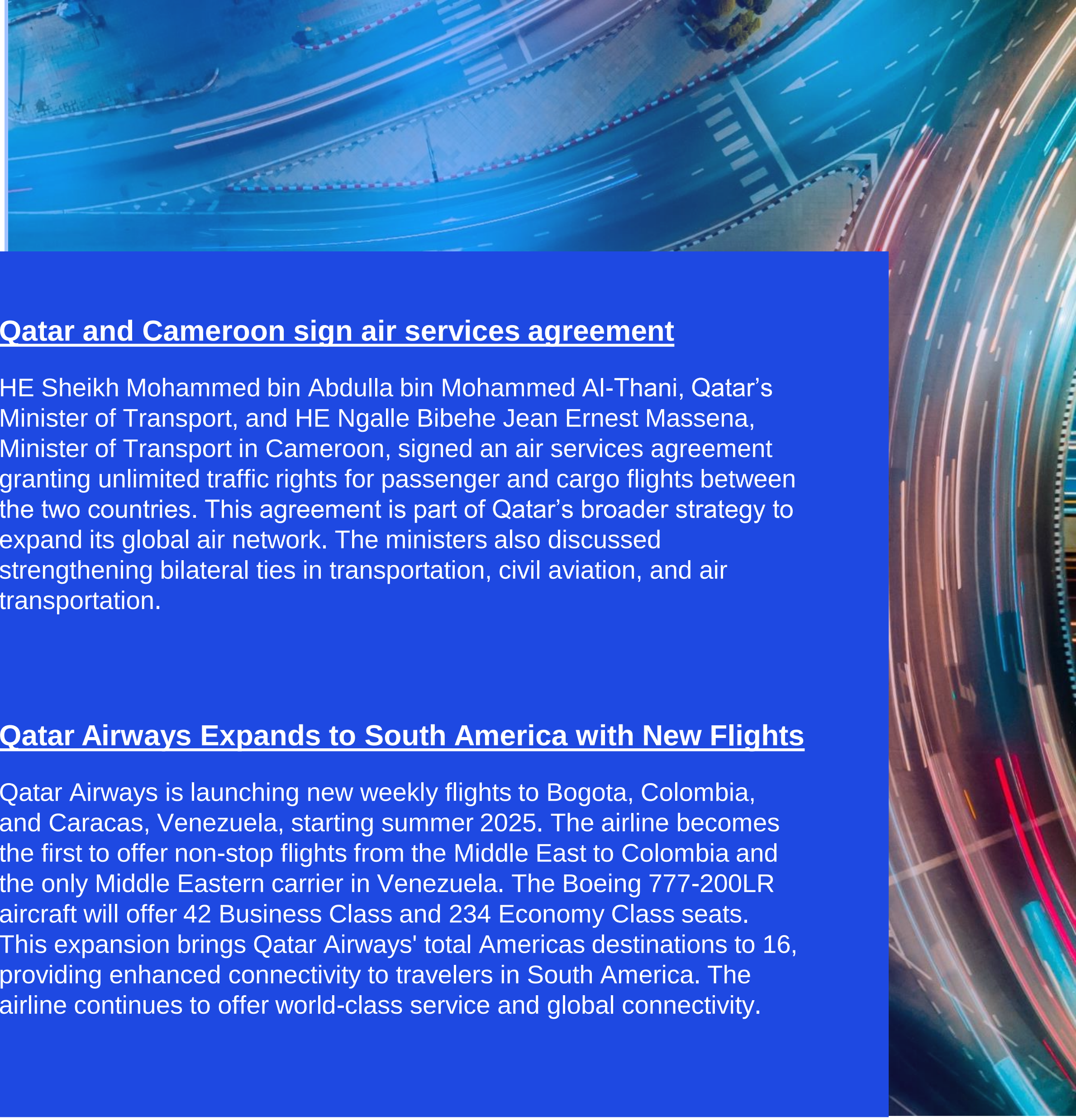
January 2025

KPMG in Qatar

—

Issued in February 2025

Transport Infrastructure (1/2)



Doha Metro and Lusail Tram announce service update

Doha Metro and Lusail Tram have announced updates to their Metro Link services. The Metro Link M212 bus route will now operate from Education City Station (Shelter 1) instead of Al Riffa Mall of Qatar Station, starting January 16. Additionally, beginning January 1, 2025, Doha Metro's operating hours will be extended to 5 am to 1 am from Saturday to Thursday, and 9 am to 1 am on Fridays.

Lusail Tram Network Unveils New Turquoise Line

Minister of Transport HE Sheikh Mohammed bin Abdulla bin Mohammed Al Thani announced the opening of the new Turquoise line on the Lusail Tram network, expanding the city’s public transportation. He toured the stations, Operations Control Center, and Tram Depot, where he was briefed on the latest operations and maintenance facilities to ensure safe and reliable service for residents and visitors.

Qatar and Cameroon sign air services agreement

HE Sheikh Mohammed bin Abdulla bin Mohammed Al-Thani, Qatar’s Minister of Transport, and HE Ngalle Bibehe Jean Ernest Massena, Minister of Transport in Cameroon, signed an air services agreement granting unlimited traffic rights for passenger and cargo flights between the two countries. This agreement is part of Qatar’s broader strategy to expand its global air network. The ministers also discussed strengthening bilateral ties in transportation, civil aviation, and air transportation.

Qatar Airways Expands to South America with New Flights

Qatar Airways is launching new weekly flights to Bogota, Colombia, and Caracas, Venezuela, starting summer 2025. The airline becomes the first to offer non-stop flights from the Middle East to Colombia and the only Middle Eastern carrier in Venezuela. The Boeing 777-200LR aircraft will offer 42 Business Class and 234 Economy Class seats. This expansion brings Qatar Airways' total Americas destinations to 16, providing enhanced connectivity to travelers in South America. The airline continues to offer world-class service and global connectivity.

Sources: The Peninsula Qatar, Gulf Times

Transport Infrastructure (2/2)

Qatar, Antigua and Barbuda sign Air Services agreement

The State of Qatar and Antigua and Barbuda have signed an air services agreement granting unlimited and unrestricted traffic rights for both passenger and cargo flights. The pact was signed by HE Minister of Transport Sheikh Mohammed bin Abdulla bin Mohammed Al-Thani and HE Minister of Tourism, Civil Aviation, Transport and Investment of Antigua and Barbuda, Charles Fernandez. The agreement aims to strengthen Qatar's global air services network, with discussions between the two ministers focusing on enhancing bilateral relations in transportation and civil aviation.

Qatar Launches Hydrographic Survey Project to Enhance Maritime Navigation and Safety

The Ministry of Transport in Qatar has initiated a hydrographic surveying project aimed at updating the country's navigational nautical charts and implementing a traffic separation scheme to regulate vessel movements. This comprehensive, five-phase project aligns with international maritime standards and will include locating anchorage areas, identifying shipwrecks, and establishing a dedicated navigational marking system. Eco-friendly technologies, such as solar-powered navigational markers, will be used for regular inspections. The initiative supports Qatar's economic growth, marine safety, and environmental protection, and is part of the broader National Strategy for Logistics Services (2024-2030).

Sources: The Peninsula Qatar, Gulf Times

Social Infrastructure

Aspire Zone Foundation Unveils Aspire Zone Leaders Programme 2025

Aspire Zone Foundation, in collaboration with Al Jazeera Media Institute, launched the Aspire Zone Leaders Programme 2025 to develop internal leadership talent across its departments. The program will select 50 employees to undergo four training phases aimed at enhancing leadership skills and competencies. Strategic objectives include identifying future leadership roles, fostering internal talent development, ensuring transparency in leadership selection, and facilitating knowledge transfer from current leaders. Abdulla Nasser al-Nuaimi emphasized the program's role in achieving Aspire Zone's strategic goals, while Iman al-Ameri highlighted the shared vision to empower national competencies.

Sources: Gulf Times

Telecommunication Infrastructure

Vodafone Qatar First Telecom Company to Earn GSAS D&B 4-Star Rating for Interior Fitout

Vodafone Qatar has earned the Global Sustainability Assessment System (GSAS) Design & Build 4-star rating for its Lusail headquarters' interior fitout, marking a significant sustainability achievement. This makes Vodafone Qatar the first telecommunications company in the sector to achieve this recognition. The office features energy-efficient designs, smart LED lighting, advanced air quality systems, and resource-saving water fixtures. Notably, 26% of materials are locally sourced, and 11% contain recycled content. The company's efforts align with Qatar's sustainability goals, setting a benchmark for the telecom sector.

Qatar Investment Authority to Merge QNBN and GBI to Strengthen Qatar's Digital Hub

Qatar Investment Authority (QIA) plans to merge Qatar National Broadband Network (QNBN) and Gulf Bridge International (GBI) to enhance Qatar's role as a regional digital hub. This merger will combine QNBN's extensive local fiber network with GBI's international connectivity, aiming to attract global tech players. Expected to close in Q4 2024, the move aligns with Qatar's economic diversification and digital growth goals.

Ooredoo Launches Entertaining Campaign to Showcase Network Strength

Ooredoo has launched a new campaign aimed at highlighting its network strength with a fun and relatable twist. Featuring a series of commercials, the campaign addresses common connectivity frustrations in an entertaining way, using mischievous characters created through AI and prosthetics to humorously depict issues like lagging during games or buffering on video calls. The first ad in the series focuses on gamers, portraying Ooredoo as the ultimate solution to gaming interruptions. Bilal Kazmi, group chief consumer officer, emphasized the campaign's aim to connect with audiences while showcasing Ooredoo's commitment to delivering seamless, innovative connectivity experiences.

Sources: The Peninsula Qatar, Gulf Times, Gulf Business

Power and Energy Infrastructure

Energy Landscape in Qatar: Balancing Sustainability and Growth for the Future

Energy plays a critical role in Qatar's development, with both renewable and non-renewable sources shaping its energy landscape. Qatar is a global leader in natural gas, emphasizing diversification in line with its National Vision 2030. While renewable energy offers sustainability with lower emissions, it faces challenges like weather dependence and storage limitations. To overcome these, Qatar invests in R&D and projects like the Al Kharsaah solar plant. Non-renewable energy, particularly LNG, provides high energy density and economic security, but also contributes to environmental degradation. Qatar mitigates these impacts through eco-friendly technologies like Carbon Capture and Storage. The future lies in balancing both energy types to ensure economic growth, sustainability, and energy security.

ExxonMobil and Qatar Energy Begin Gas Exploration Off Cyprus

ExxonMobil and Qatar Energy have commenced exploratory drilling for natural gas in the Electra prospect, located west of Cyprus. This drilling activity, which began on Friday, is part of efforts to secure alternative energy sources for the EU, especially in light of the disruption of Russian energy supplies following the invasion of Ukraine. The area has seen significant gas discoveries in recent years, although Cyprus has yet to start production. Cyprus aims to become a reliable gas supplier for Europe, though the region's exploration activities are closely monitored by Turkey due to territorial disputes.

Qatar's Growth Prospects Bolstered by LNG Production Expansion

Qatar's medium-term growth is driven by increased LNG production and a strong fiscal position, according to the Institute of International Finance (IIF). The country's competitive advantage in LNG production, with costs 70% lower than the US, positions it as a leading exporter. Growth will come from both the hydrocarbon and non-hydrocarbon sectors, bolstered by the North Field Expansion, which aims to boost LNG production by 85% by 2030.

Woqod net profit surges 7% to QR1.052bn in 2024

Woqod's 2024 net profit rose 7% to QR1.052 billion, with earnings per share increasing to QR1.06. The company will distribute a final dividend of QR1 per share, with QR0.60 remaining after the interim dividend. Fuel sales reached a record 11.3 billion liters, driven by increased jet fuel and gasoline sales. Woqod also highlighted safety improvements and ongoing infrastructure projects, with plans for international growth.

Sources: The Peninsula Qatar, Gulf Times, Offshore Engineer

Environmental Infrastructure

Al Wakra Municipality Enhances Compliance in Old Al Wakra Market

As part of the "Cleanliness is Culture" initiative, Al Wakra Municipality conducted a three-day awareness campaign in Old Al Wakra Market. The campaign included 155 inspections, covering 75 food establishments, with 12 warnings issued for non-compliance with health and hygiene regulations. The initiative, part of the 2025 Municipal Control Department plan, aims to boost public awareness and ensure adherence to laws. Officials urged cooperation with inspection teams, stressing that violations will face legal action.

Qatar Unveils New Eco-Friendly Beach for Motorhome Owners

The Ministry of Environment and Climate Change (MOECC) has announced the soft opening of a new eco-friendly beach in Sealine, designed for motorhome enthusiasts. The beach offers essential services such as electricity, water, sewage, and lighting, with a two-night stay limit for visitors. The official launch is set for April. The beach has been well-received, attracting families and motorhome owners seeking a comfortable, scenic environment. The Ministry plans to expand the project, adding more beach locations to promote ecotourism. Motorhome owners have praised the initiative for diversifying Qatar’s recreational offerings.

Qatar's Vision for a Sustainable Future

Sustainability is at the core of Qatar’s development, as emphasized in Qatar National Vision 2030, focusing on environmental, economic, social, and urban sustainability. Qatar adopts global best practices to preserve natural resources and improve the quality of life for current and future generations. Initiatives such as planting 10 million trees, developing sustainable urban models, and expanding green spaces have positioned Qatar as a leader in sustainability. These efforts earned eight Qatari cities the World Health Organization Healthy City title and secured UNESCO Global Network of Learning Cities membership for seven cities, with Al Wakrah and Doha receiving UNESCO Learning City Awards. Qatar's achievements, supported by partnerships with civil society and ministries, align with UN Sustainable Development Goals, particularly quality education and sustainable cities, through investments in renewable energy, advanced waste management, and community-focused sustainability projects.

Sources: Gulf Times, Qatar Moments, Ministry of Municipality

Digital Infrastructure (1/2)

Old Doha Port embraces cutting-edge technology for sustainable operations

Old Doha Port is leveraging advanced technologies to support its environmental sustainability efforts while hosting major events, aligning with Qatar's National Vision 2030. CEO Mohamed Abdulla al-Mulla emphasized initiatives in marine conservation, waste reduction, and eco-friendly infrastructure. Notable efforts include an annual seabed cleaning drive, solar panels to reduce energy consumption, water recycling for irrigation and cooling, and efficient waste management practices. The port also uses the Jellyfishbot Expert, an autonomous robotic cleaner for water surfaces, to maintain cleanliness during high-traffic events. Community engagement is integral, with workshops and awareness programs promoting environmental responsibility.

Qatar Digital ID App: Seamless Travel and Access to Government Services via E-Gate

The Qatar Digital Identity (QDI) app, launched in 2024, offers a smart digital wallet for citizens and residents to access important documents and services from the Ministry of Interior. The app includes digital versions of passports, IDs, driving licenses, and more, streamlining processes like entry and exit at Hamad International Airport through E-Gates. Users can access the app by downloading it, logging in, verifying their identity via facial recognition, and using their phone at the airport scanner. Additional features include biometric login, document verification, electronic signatures, and access to Ministry of Interior services.

Experts spotlight region's vision for economic diversification, digital transformation

At the Qatar Investment and Innovation Conference 2025, experts discussed the region's digital transformation and economic diversification. Bader Al Madhadhi of Qatar Free Zones Authority highlighted the role of Qatar's infrastructure in achieving National Vision 2030, positioning the country as a hub for innovation. Mohamed Juma Al Musharrkh of Sharjah FDI Office emphasized the shift to fostering ecosystems over real estate. The conference, held at Msheireb Downtown Doha, showcased the district's success in supporting innovation and attracting major institutions like Media City Qatar and Qatar Airways.

Qatar's Supreme Judiciary Council Unveils Digital Transformation Strategy for 2025-2030

The Supreme Judiciary Council of Qatar is preparing a five-year digital transformation strategy (2025-2030) to automate the judicial system, aligning with Qatar National Vision 2030. The strategy builds on advancements made during the 2019-2024 period, such as the introduction of 70 electronic services and the establishment of specialized courts. The focus will be on enhancing digital services, reducing litigation time, and improving societal impact, including the success of the estate division law in reducing family disputes.

Sources: The Peninsula Qatar, Gulf Times

Digital Infrastructure (2/2)

MCIT Unveils National Digital Authentication and Trust Services Strategy 2024-2026

Ministry of Communications and Information Technology (MCIT) launched the National Digital Authentication and Trust Services Strategy 2024-2026. This strategy aims to foster Qatar's digital transformation by establishing a unified digital identity, streamlining access to electronic services, and enhancing security. It aligns with Qatar National Vision 2030 and Digital Agenda 2030, focusing on improving user trust, boosting innovation, reducing government costs, and facilitating collaboration between the public and private sectors. The strategy includes phased implementation, starting with strengthening the existing digital authentication ecosystem and eventually creating a sustainable and secure system for all users.

Qatar Airways Cargo Partners with Unilode for ULD Digitalisation

Qatar Airways Cargo has teamed up with Unilode Aviation Solutions to digitalise over 42,000 Unit Load Devices (ULDs). This partnership, the largest of its kind, will improve real-time tracking, enhance asset utilisation, and optimise operations across Qatar Airways' global network. It includes implementing Unilode's advanced digital technologies, including its tag and reader network, E-ULD app, and data analytics platform. The move aims to increase efficiency, reduce costs, and foster sustainability in air cargo operations.

Qatar's Technology Market to Experience Significant Growth

Qatar's technology market is set for strong growth, fueled by the national digital agenda launched alongside Web Summit Qatar. Eng Nayef Al Ibrahim, CEO of Ibtechar, stressed the importance of developing skilled local talent to drive the digital economy. Ibtechar recently introduced new services targeting ICT professionals. According to Statista, Qatar's IT services market is expected to reach $994.30 million in 2023, with annual growth of 5.53% projected from 2025 to 2029. IT outsourcing will dominate, with a market volume of $396.40 million in 2025, driven by increasing digitalization and government initiatives.

Sources: The Peninsula Qatar, Qatar Tribune

Sectorial Updates (1/3)

Qatar Telecom Market to Grow with Focus on Mobile Data and Broadband

The "Qatar Telecom Operators Country Intelligence Report" projects Qatar's telecom and pay-TV services revenue to grow at a CAGR of 1.6% from 2024 to 2029, driven by mobile data and fixed broadband. Mobile data service revenue is expected to rise at a 3.3% CAGR, supported by affordable data plans and premium offerings that enhance ARPUs. Fixed broadband services will grow at 3.7% CAGR, fueled by FTTH/B subscriptions and broadband coverage expansion. The report provides a comprehensive analysis of market trends, regulatory updates, competitive dynamics, and operator strategies, aiding stakeholders in navigating Qatar's evolving telecom landscape.

Qatar's Aamal Company plans subsidiary in Saudi Arabia

Aamal Company, a leading diversified regional firm, is launching a new subsidiary in Saudi Arabia as part of its strategic expansion. The subsidiary will operate in the industrial manufacturing sector, focusing on providing integrated solutions for construction and infrastructure. Services will include project design, engineering supervision, precast concrete production, concrete pipe manufacturing, transportation, installation, and comprehensive project management. CEO Rashid bin Ali al-Mansoori emphasized that this move aligns with Aamal's plan to enhance its presence in Saudi Arabia's dynamic market while expanding into technology and energy sectors, bolstering its construction and infrastructure portfolio.

Qatar Achieves Significant Progress in Public-Private Partnerships

Qatar Chamber, represented by Ibtihaj Al Ahmadani, participated in the Global Women Economic Forum in Bahrain. Al Ahmadani highlighted Qatar’s commitment to public-private partnerships (PPPs) under the Qatar National Vision 2030, emphasizing Law No. 12 of 2020, which supports these collaborations. She noted Qatar's successful PPP projects across various sectors and outlined future plans to expand into food security, renewable energy, technology, and AI, positioning PPPs as key to sustainable growth and innovation.

Capital funds and growth opportunities attract foreign talents to Qatar

Doha, Qatar: Qatar’s robust economy, world-class infrastructure, and QIA’s $1 billion capital fund attract startups and global talent, said TechInvest Founder Fahad Al Sharekh. Al Sharekh emphasized Qatar’s highly developed infrastructure, including its airport, airline, highways, and education and research centers like Qatar Foundation, as key to boosting its appeal. He also highlighted the country’s strategic vision and transformative growth opportunities. TechInvest, which has advised on $900 million in projects since 2015, supports early-stage VCs by guiding fundraising and structuring. Speaking at the Qatar Investment and Innovation Conference 2025, Al Sharekh underscored Qatar’s role in fostering hyper-growth startups and building a thriving tech ecosystem.

Sources: The Peninsula Qatar, Gulf Times, Yahoo Finance

Sectorial Updates (2/3)

Qatar Drives Diversified Growth Through Innovation and Technology

Qatar is leveraging its economic strength to diversify and become a global tech leader. While hydrocarbons still dominate its economy, the country is investing heavily in renewable energy, such as solar power, and exploring alternative fuels like hydrogen. Digital transformation is advancing with new fintech regulations and the Fawran payment system. Investments in AI, robotics, and sustainable farming are boosting innovation, and technology is already enhancing daily life, including free internet on Qatar Airways via Starlink. These strategic moves are positioning Qatar for a tech-driven future.

Qatar Allocates $57.69 Billion Budget to Boost Infrastructure Development

Qatar's 2025 budget of QR210.2bn ($57.69 billion), a 4.6% increase from 2024, prioritizes infrastructure growth, with analysts crediting robust financial reserves for funding large projects without relying on public-private partnerships. Key initiatives include road networks, modern facilities, and tourism-focused construction projects. The construction sector, valued at $58.36 billion in 2024, is projected to reach $120.63 billion by 2031 with a CAGR of 9.50%. Major firms like Bilfinger Berger Qatar WLL and QDVC Q.S.C are driving growth, while the boom supports GDP expansion through population increases, job creation, and tourism.

Qatar's Q4 2024 Budget Records QAR 0.9 Billion Surplus, Ministry of Finance Announces

Qatar's Ministry of Finance announced a QAR 0.9 billion surplus for Q4 2024, which will be allocated to reducing public debt. Despite a 12.5% decline in total revenues to QAR 48.7 billion—largely driven by the oil and gas sector—expenditures also dropped by 12%, totaling QAR 47.8 billion. The actual average price of oil during the quarter was USD 73.9 per barrel, surpassing the initial estimate of USD 60. Tenders and auctions for government contracts reached QAR 6.4 billion, with a significant portion awarded to local companies. Additionally, Qatar's GDP grew by 1.7% in 2024, underpinned by a 1.9% increase in non-hydrocarbon output.

Ministry of Commerce and Industry (MoCI) and Manateq Sign Concession Agreement to Manage Small and Medium Industries Zone

The Ministry of Commerce and Industry (MoCI) signed a 25-year renewable agreement with Manateq to manage the Small and Medium Industries Zone, focusing on development plans, infrastructure maintenance, and operational efficiency. This collaboration aligns with the Qatar National Manufacturing Strategy 2024–2030, fostering SME growth as key economic drivers. Manateq will lease and promote land, manage operations, and enhance services under Ministry oversight, ensuring compliance with technical standards. Officials emphasized the strategic importance of this partnership in supporting Qatar's industrial and economic development.

Sources: Zawya, The Peninsula Qatar

Sectorial Updates (3/3)

Ministry of Labour Unveils Fourth Quarter 2024 Statistical Bulletin

The Ministry of Labour's ongoing digital transformation has streamlined processes and expedited transactions, improving service performance in Q4 2024. Key figures include 120,696 work permit applications processed, 6,316 labour disputes addressed, and 166,562 employment contracts authenticated. The Ministry also conducted extensive inspections, with over 8,000 inspections leading to 2,190 violation reports. This transformation aims to ensure better compliance with labour laws and enhance Qatar's work environment.

Qatar Chamber Supports Qatar's Digital Transformation and Innovation Initiatives

The Qatar Investment and Innovation Conference, held on January 22, 2025, in partnership with Msheireb Properties and supported by Qatar Chamber, focused on Qatar's innovation-driven economic diversification aligned with Qatar National Vision 2030. The conference brought together key regional business leaders to discuss critical topics like special economic zones, technology, and private investment in telecommunications infrastructure. Dr. Khaled bin Klefeekh Al-Hajri, Qatar Chamber board member, emphasized the role of private-sector investments in fostering digital transformation. The event was well-supported by local and international stakeholders, and marked the announcement of The Business Year: Qatar 2025, a publication offering strategic insights into Qatar's evolving economy.

Sources: Zawya, Ministry of Labour

KPMG

Contact us

Venkat Krishnaswamy
Partner,
Head of Advisory
KPMG in Qatar

kvenkatesh@kpmg.com
M : +974 5554 1024

Sayantan Pande
Director,
Head of Infrastructure & Real Estate Advisory
KPMG in Qatar

sayantanpande@kpmg.com
M : +974 3330 9793

Rishu Gupta
Manager,
Infrastructure & Real Estate Advisory
KPMG in Qatar

guptar@kpmg.com
M: +974 6653 7641

Fathi Melhem
Senior Consultant,
Infrastructure & Real Estate Advisory
KPMG in Qatar

fathimelhem@kpmg.com
M: +974 6650 0752

Firas Moukhadder
Senior Consultant,
Infrastructure & Real Estate Advisory
KPMG in Qatar

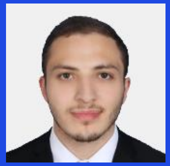
fmoukhadder@kpmg.com
M: +974 7783 8458

Ayman Takkoush
Consultant,
Infrastructure & Real Estate Advisory
KPMG in Qatar

atakoush@kpmg.com
M: +974 5594 1619

Iheb Salhi
Consultant,
Infrastructure & Real Estate Advisory
KPMG in Qatar

ihebs@kpmg.com
M: +974 3348 3571



Feras Abu Ghoush
Consultant,
Infrastructure & Real Estate Advisory
KPMG in Qatar

ferasabughoush@kpmg.com
M: +974 6655 7080

kpmg.com/qa