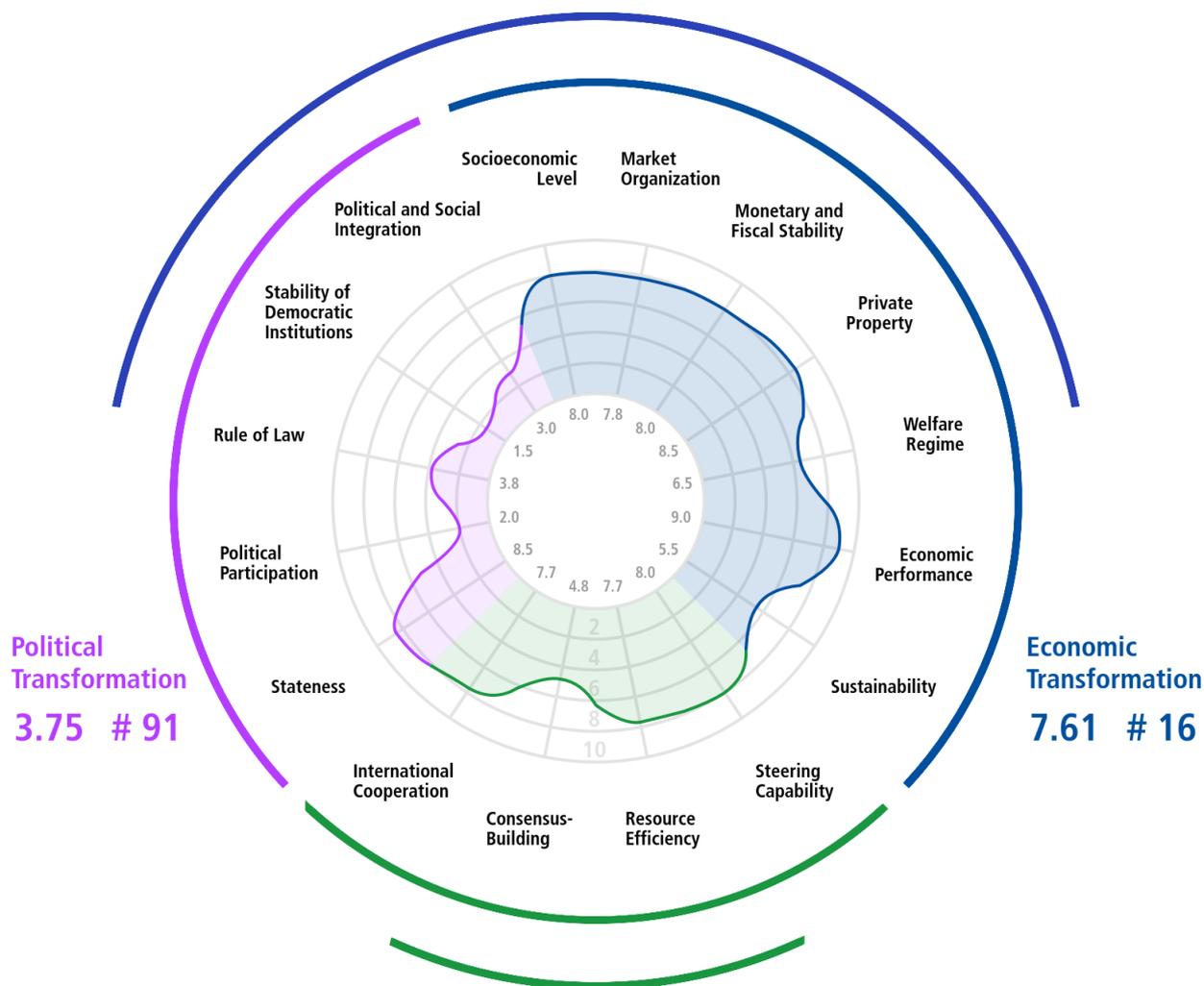


Qatar

Status Index

5.68 # 55

on 1-10 scale out of 137



Political Transformation
3.75 # 91

Economic Transformation
7.61 # 16

Governance Index

5.98 # 26

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	2.9	HDI	0.886	GDP p.c., PPP \$	126110
Pop. growth ¹	% p.a.	7.3	HDI rank of 193	43	Gini Index	35.1
Life expectancy	years	82.4	UN Education Index	0.724	Poverty ³	% 0.0
Urban population	%	99.4	Gender inequality ²	0.195	Aid per capita \$	-

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Qatar is back; the Gulf crisis that dominated Qatari politics in recent years has lost much of its importance for the small emirate. Beginning with its pivotal role in facilitating talks among the Taliban, the United States and EU member states following the Taliban's takeover of Afghanistan in August 2021, and bolstered by the growing instability in the Middle East following the October 7, 2023, attack on Israel and the ensuing Gaza war, Qatar has reclaimed its previous critical role as a key regional mediator.

Economically, Qatar continues to outperform, with a high and growing GDP, consistent budget and fiscal surpluses, significantly reduced public debt, and moderate rates of inflation. A new and final Third National Development Strategy (NDS3) has been unveiled for the period from 2024 to 2030, marking the last stepping stone toward fulfillment of its Qatar National Vision (QNV) 2030. Key goals include strong economic performance, sustainable growth and diversification. Qatar's overall outlook remains promising. Growth has picked up following a post-World Cup slump, and while increases in non-hydrocarbon revenues have been slow, the expansion of the North Field, scheduled for late 2025 and 2026, will produce rising gas revenues and reduce the country's exposure to falling oil prices.

Following the 2022 FIFA World Cup, Qatar's economic development has slowed. Large construction projects have been completed, and, in contrast to the last decade, no major crises abruptly and directly impacted Qatar in the period under review. This also means that international attention has shifted away from the emirate, lowering its profile but also diminishing international pressure to reform. In fact, Qatar can be said to wield greater leverage today due to its role as a mediator between Israel and Hamas and between Israel and Hezbollah, its mediation in the Syrian conflict, its provision of open communication channels and mediation with the Taliban, and its significant liquefied natural gas (LNG) resources. It can now even make demands, as in December 2024, when it warned the European Union that Qatar would stop providing gas if it applied the due diligence law to Qatari companies. This also means that the previously significant progress made in the area of labor and migrants' rights has slowed and has possibly even seen the first signs of rollback.

The same is evident with regard to democratic institutions. The long-awaited first Shura Council elections in 2021 will remain the last, as the council's election process was abolished by a constitutional referendum in November 2024, with 90.6% of voters in favor of the changes, effectively abandoning the monarchy's parliamentarization process.

History and Characteristics of Transformation

Before oil was discovered in the territory in 1939, Qatar contained little more than a few shoreline villages economically dependent on pearl fishing as well as nomadic cattle-breeding tribes. During British rule as a "protected state," Qatar developed its first political institutions and infrastructure, fueled by hydrocarbon revenue. After the British withdrawal, Qatar declared its independence on September 1, 1971.

The current emir, Tamim bin Hamad Al Thani (Sheikh Tamim), succeeded his father, Hamad – officially designated "Father Emir" – who voluntarily transferred power on June 25, 2013. Compared with his predecessors, Emir Hamad was more committed to social openness and national development, playing an important role in shaping the country's current form. Immediately after taking office in 1995, Hamad introduced a series of reforms that had a lasting impact not only on Qatar's economic and political system, but also on society in general. As a result, Qatar has firmly established itself on the political map, and its capital, Doha, has become a household name worldwide. Hamad implemented a constitution and local elections, developed infrastructure, and made significant investments in health care and education. He abolished the Ministry of Information and created the Al-Jazeera Satellite Channel network in 1996, revolutionizing mass media in the Arab world and propelling the country onto the international scene.

Qatar's first local elections were held in 1999. Despite its conservative nature and limited authority, the Central Municipal Council (CMC) introduced new ideas and practices to Qatar. In a groundbreaking step – not only for Qatar but also for the Gulf region more broadly – women were granted the right to vote and to run for office, resulting in the election of the first female council member in 2003. In April 2003, Qatar's permanent constitution was adopted through a public referendum, with 96.6% voting in favor. Although the constitution enshrines Al Thani rule and the monarchic system, it officially guarantees fundamental rights to citizens. Furthermore, it establishes a foundation for a partially developed system of power-sharing among the three traditional branches of government. Before the November 2024 referendum, the constitution also called for establishing a partially elected parliament to replace two-thirds of the previously appointed members of the Shura Council, leading to the first (and last) Shura Council elections in October 2021. The overwhelming majority vote in the 2024 constitutional referendum that abolished these elections reflected the general attitude that Qataris overall support the idea of democracy, but there is also a sense that it is already in place due to participation in majalis, public forums where political and social issues can be addressed and in which most Qataris participate.

Extensive economic development in the wake of the hydrocarbon boom has required a growing number of foreign laborers. Employing these laborers – governed by the kafala system – to extract the nation’s natural resources has created a highly prosperous, privileged minority of Qatari nationals, who account for only about 12% of the total population. The primary challenge today lies in transitioning Qatar’s predominantly rent-based economy to a knowledge-based one, as well as localizing the workforce through a process called “Qatarization.” Doha aims to gain recognition as an economic and financial hub. Although the kafala system was officially abolished in 2016, many de facto and some de jure limitations and human rights problems remain.

The country’s transformation in recent years has revealed a dualism. Some observers, particularly internationally, argue that the pace of reform is too slow, as Qatar remains a tribal society under an autocratic regime. However, conservative elements view the ongoing changes as taking place too rapidly, and as a threat to the traditional Islamic character of Qatari society. Overall, Qataris express high levels of satisfaction with the government’s policies and the emir himself.

Since Sheikh Hamad’s accession to the throne, Qatar has positioned itself as a key power broker in the region. Backed by its financial muscle, it has successfully contributed to resolving many regional conflicts and has developed strong ties with both regional and international players. However, this foreign policy activism, and Qatar’s support for mainly Islamist opposition actors and rebels in various Arab countries in the wake of the Arab Spring, earned Qatar the image of being a biased, interventionist power “punching above its weight” among some of its neighbors. This tension triggered the Gulf crisis, when Saudi Arabia and the United Arab Emirates in particular felt threatened by Qatar’s growing regional and international profile, leading to a comprehensive blockade of Qatar by Saudi Arabia, the UAE, Bahrain and Egypt starting on June 5, 2017. On January 5, 2021, the blockade was finally lifted when the six Gulf Cooperation Council (GCC) members signed the Al-Ula Agreement and reopened their borders. While the conflict may resurface in the future, Qatar came out of it stronger than before, with a more self-sufficient economy, less dependent on any single trade partner, and with a strengthened national identity and enhanced public support for Emir Tamim.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The state exercises complete control over its territory and holds a total monopoly on the use of force through its security forces, including the police, military and intelligence services. These units are directly controlled by either the Ministry of Interior or the Ministry of Defense. There are no dissident groups that pose a serious challenge to the authorities. The issue of succession, which is sensitive in many neighboring monarchies, does not appear to be contentious for the foreseeable future.

Given the small size of the native Qatari population, which represents about 12% of Qatar's total population of 3.1 million (as of 2025), as well as the country's extensive wealth and the role of the state in distributing this wealth to its national population, citizenship is a paramount issue. Because native Qataris are a highly privileged but tiny minority in their own country, defining who is or can become a Qatari carries significant political and economic implications. Although a legal procedure for naturalization has existed since 2005, allowing up to 50 foreigners a year to obtain Qatari citizenship, naturalization is primarily based on patrilineal jus sanguinis, which makes it almost impossible for anyone with a non-Qatari father to gain Qatari citizenship. Some people, such as members of the al-Ghufran clan, have lived in Qatar for decades and remain stateless.

Moreover, there are layers to Qatari citizenship. Not all citizens, even among native-born individuals, have equal socioeconomic entitlements. Naturalized Qatari citizens, including foreign-born athletes and Qataris who cannot trace their lineage to before 1930, do not automatically have access to the same range of benefits as native-born nationals who can do so, and, until the implementation of constitutional changes resulting from the November 2024 referendum, they did not have the same rights regarding passive and active voting. That referendum resulted from the conflict that erupted over this issue before the first-ever Shura elections in October 2021, when thousands of naturalized citizens were disenfranchised, leading to the largest protests since 2011.

Question
Score

Monopoly on the
use of force

10



State identity

8



In recent years, the government has undertaken large-scale, concerted measures to promote a distinct “Qatari heritage,” including numerous “heritage festivals,” “heritage villages” and the ambitious new Qatar National Museum that opened in March 2019. External pressure and massive outside criticism of the country during the post-June 2017 blockade and in the run-up to the 2022 World Cup catalyzed the development of a national identity that emerged organically, accompanied by unprecedented levels of public support and admiration for the monarch. According to a March 2023 Social and Economic Survey Research Institute (SESRI) report from the National Identity Project, Qatari national identity is given priority over other kinds of identity, although over half of the Qataris surveyed also stated that their tribal identity comes first.

Religion is an essential component of Qatari identity. According to Article 1 of the constitution, the official religion of Qatar is Sunni Islam. While most Qataris adhere to the Hanbali school, the legal system incorporates both secular and Shariah law. The emir participates in religious events but performs no official religious functions. The ‘ulama (religious scholars) play no political role.

Apostasy from Islam is considered a capital offense, and proselytizing by non-Muslims is illegal. Islamic orthopraxy routinely prompts controversial debates and state decisions, for instance concerning the prohibition of alcohol. The FIFA World Cup forced some renegotiations and compromises. However, key conservative Islamic tenets – such as the alcohol prohibition and an anti-LGBTQ+ stance – were reinforced.

The country’s basic administration operates efficiently and, except for the judicial system, compares favorably with that of many developed countries. All the elements needed for effective administration, such as courts, tax collection services and local authorities, are in place and implemented in Qatar. Access to water, sanitation and electricity is practically ubiquitous. The high urbanization rate of over 99% facilitates administrative reach. E-government services are omnipresent and expanding, and online functions are widely used. Qatari citizens and residents can access many government services online or via mobile phone applications (e.g., there is an SMS reminder option for court hearings). The system is effective and regularly updated, and proved resilient in the face of the pandemic. Even the pandemic did not significantly hamper basic administration functions.

In preparation for the 2022 FIFA World Cup, Qatar built a network of roads, railways, an underground metro and a light-rail line.

However, the efficiency observed in most government administrative functions is not reflected in the judicial system. Migrants do not have the same level of access to the state’s bureaucracy, especially when seeking to address grievances. Human rights organizations have criticized the judicial system’s inefficiency and unfairness, particularly regarding disputes between natives and foreigners, and have called for the system to be revamped.

No interference of religious dogmas

6



Basic administration

10



2 | Political Participation

The brief foray into expanding the electoral process, brought on by the first-ever, long-awaited elections to Qatar’s parliament, the Majlis al-Shura (Advisory Council), on October 2, 2021, was soon cut short. In a constitutional referendum on November 5, 2024, 90.6% of voters (with a high turnout rate of 84%) agreed to change several articles of the constitution. The most important of these changes removes the Shura elections, once again making it a fully appointed body.

In 2021, when two-thirds of the Shura’s 45 members were for the first time directly elected via universal suffrage, with 233 independent candidates running for the positions, the first political protests since the Arab Spring broke out. The electoral law exposed divisions among different strata of Qatari citizens, as it became clear that not every citizen had the right to vote or stand for office. These privileges were restricted to a subset of the most established “original” citizens, who could trace their lineage to the 1930s or earlier, in contrast to “merely” naturalized citizens. These regulations excluded thousands of potential voters. For some, this was the first time they had learned that they were deemed naturalized rather than original. The emir announced that there would be changes to the electoral law in the future. However, the elections were ultimately altogether abolished in an effort to place “our unity and cohesion above any other consideration,” as Emir Tamim put it in a speech on October 15, 2024. To further address intertribal tensions, the changes to the constitution also abolished the division between original and naturalized citizens, equalizing rights in a shift intended to heal the emerging rift among citizens. The most recent elections to the 29-member Central Municipal Council (CMC) in June 2023 saw many familiar, traditional members with strong tribal ties (including the chairman) replaced by young, relatively unknown candidates. Although there were more registered voters than ever before, the turnout rate was just 40.7%, lower than in the previous elections and significantly lower than in the 2021 Shura Council elections. Four out of the 102 candidates were women, but none were elected.

Qatar is a hereditary monarchy, even though Article 1 of the constitution proclaims the political system to be democratic. The constitution also stipulates that the country is to be ruled by the Al Thani family. Despite the autocratic nature of the system, there is no clear and serious opposition to the rule of the Al Thani family, and most of the population appears to be content with the country’s achievements. The population rallied behind its ruler after the outbreak of the crisis between Qatar and neighboring Gulf monarchies and again in the wake of the World Cup. In any case, the concentration of power in the hands of the emir and his family, along with the absence of other serious actors in either the military or the political sphere who can legitimately challenge his authority, has helped stabilize the political system.

Free and fair elections



Effective power to govern



Any possibility that repeated, regular Shura Council elections would have changed this system and made the monarchy more parliamentary has been rendered moot following the November 2024 referendum. To date, influential businessmen have resisted structural reforms such as strengthening workers' rights, because such reforms are seen as a weakening of their privileges. These reforms often face vocal opposition, as demonstrated by the Shura Council's June 2024 decisions, which effectively rolled back some previously implemented reforms.

The freedoms of association and assembly are very limited. Qataris are nominally allowed to organize demonstrations, marches and public gatherings, but doing so requires government approval – usually a permit from the Ministry of Interior. These provisions make it difficult to demonstrate against the government or its interests without breaking the law.

Furthermore, the freedoms of association and assembly are impeded by the fact that political parties and labor unions are prohibited in Qatar. The only operational trade union, the General Union of Workers of Qatar, excludes 99% of the total workforce – non-citizens and public sector employees – rendering it irrelevant. Even the rare protests that occur are often severely restricted, and protesters are punished. Several people protesting the electoral law in 2021 were arrested. In May 2022, two members of the Al Murrah tribe and the Qatari poet Mohammed bin Rashid bin al-Dheeb al-Ajami, who had already been imprisoned and pardoned following the Arab Spring period, received life sentences, respectively, for protesting and for supporting the protests. Another member of the same tribe, Mohammed Hamad bin Fetais al-Marri, received a prison sentence of 15 years. There are no reprisals if protests are not directed against government policy, as shown by the unrestricted October 2023 protest attended by hundreds of participants in support of Palestinians at the beginning of the Gaza war, following the Hamas attack on Israel on October 7, 2023.

According to Article 47 of Qatar's constitution, "Freedom of opinion and scientific research are guaranteed, according to conditions and circumstances laid down by the law." However, these "conditions and circumstances" can be very limiting, which renders the constitutional article meaningless compared with legislation such as the 1979 Press and Publications Law, the 2014 Cybercrimes Law and the 2020 Penal Code amendment, which criminalize the spread of "rumors" or "false news" with penalties of up to five years in prison, for example.

With regard to international issues, Qatar's press is relatively free. In this sense, it is largely embodied by Al-Jazeera, the powerful network established in 1996 by the former emir. However, observers have long noted that the network is far more restrained when reporting on Qatar than when covering events abroad, and that its reporting is strongly aligned with Qatari foreign policy – although the English version, at least, has not shied away in the past from reporting on the plight of foreign workers in the country.

Association /
assembly rights

2

'06 '26 10



Freedom of
expression

4

'06 '26 10



The local media are even less independent. Although restrictions surrounding the World Cup have eased, the conservative nature of Qatari society, the small size of the national population and the autocratic nature of the government contribute to a high level of self-censorship among journalists and editors. Political matters are rarely discussed in Qatari media, which tend to focus instead on cultural or local issues. With reporting restrictions associated with the 2022 World Cup lifted, the country rose to rank 84 (from 105) among the 180 countries included in Reporters Without Borders' 2023 World Press Freedom Index. It is unclear why such a major change occurred, as limitations on press freedom have not significantly changed.

In the wake of and during the 2022 FIFA World Cup, international journalists working in the country were heavily restricted by strict accreditation requirements and bureaucratic red tape. While there was little open coercion – the detention of two Norwegian journalists for 36 hours for reporting on the poor working conditions for migrant workers was an exception – Reporters Without Borders has reported that journalists' private correspondence may have been hacked.

3 | Rule of Law

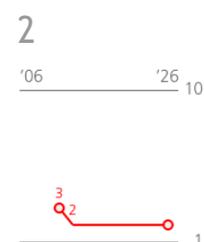
The Shura, Qatar's parliament, has limited powers, which have been further restricted by the elimination of short-lived elections for two-thirds of its members. There is no division of powers to speak of. A third of the Shura members (in the future, it will again be all of them) are directly appointed by the emir and consequently are beholden to him. Key issues, such as security and investment policies, are still considered to be the emir's prerogative. Given these circumstances, the Shura does not perform the traditional roles of a legislative body, and remains subordinate to the executive.

The constitution provides for an independent judiciary, and the emir and cabinet members nominally fall under the court's jurisdiction. However, given the emir's privileged position and the wide respect he enjoys, the courts' power in this regard is more theoretical than real.

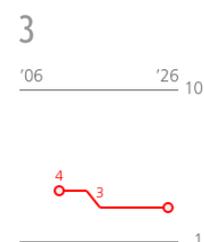
Several articles of Qatar's constitution (Articles 129, 130, 131 and 134) provide for the independence of judges and the judiciary. However, the fact that the emir appoints judges on the recommendation of the Supreme Judiciary Council to three-year, indefinitely renewable terms impedes their independence. Moreover, they are particularly dependent on the government because most are foreign nationals. Shariah courts also exist, and handle personal-status matters such as divorce for Muslims. A constitutional court was established in 2007 but remains non-operational.

In 2021, Amnesty International criticized allegedly intentional judicial inaction in response to the thousands of migrant worker deaths that had taken place over the previous decade. In 2022, the Supreme Judiciary Council expanded the geographic distribution of committees responsible for labor-related legal disputes.

Separation of powers



Independent judiciary



Article 128 of the constitution stipulates that “ministers shall not use their official posts in any way for their own interests or for the interests of those with whom they have special relations.” Punitive actions are taken against individuals accused of corruption. A case in point is former Finance Minister Ali Sherif al-Emadi, who faced a criminal trial after his 2021 arrest on embezzlement allegations.

However, the prospect of high-ranking officials connected to the royal family facing legal action for corruption or abuses of power is in general highly unlikely. Many top officials hold financial interests and shares in businesses inside and outside the country. Most recently, U.S. defense contractor Raytheon admitted in October 2024 to bribing high-ranking Qatari officials, reportedly including Joaan al-Hamad Al Thani, the emir’s younger brother. Although reports of these allegations surfaced several years ago, he was not prosecuted and still heads Qatar’s Olympic Committee.

When legal action is brought on the basis of alleged corruption, the motives are likely political. Qatar established the Administrative Control and Transparency Authority in November 2011 to ensure corruption would not be tolerated. The emir said the state would show no mercy to corrupt individuals.

Some high-profile corruption cases have since emerged, although most of the recent cases have involved conduct outside the country. Qatari officials faced repeated allegations of bribery to win the 2022 FIFA World Cup bid.

In December 2022, members of the European Parliament were alleged to have accepted bribes from Qatari officials in exchange for a soft stance on the country’s human rights record following the World Cup, in a case known as “Qatargate.” Qatar quickly rejected all accusations

Article 35 of the constitution states that all Qataris are equal before the law and that discrimination on any basis (religion, origin, sex, skin color) is prohibited. Although discrimination is not legally sanctioned, societal discrimination marginalizes some minority groups, such as LGBTQ+ people and Shi’ites, who maintain a low profile. Informal restrictions on women remain ingrained in the culture, in addition to legal inequalities stemming from the male guardianship system, which requires the consent or oversight of male family members in various areas of women’s lives – for example, to marry or study abroad. Inheritance laws are unequal.

Although there are reports of religious discrimination and censorship on religious grounds, the government supports religious tolerance. However, it recognizes only the Abrahamic faiths. Adherents of other faiths are allowed to worship only in private. In October 2023, the U.N. Committee on Economic, Social and Cultural Rights (CESCR) reported possible discrimination against religious minorities, especially the Baha’i community, which had complained of increased government intimidation. A report by the Israeli NGO IMPACT-se on 55 Qatari national schoolbooks in the period from 2023 to 2024 found that no progress had been made since the last report

Prosecution of office abuse

4

'06 _____ '26 10



Civil rights

6

'06 _____ '26 10



in 2022 (which had acknowledged positive changes) with regard to removing content that was extremist, antisemitic or hostile toward non-Muslims. Since October 7, 2023 – and the ensuing war in Gaza – antisemitic agitation in the country has increased, exemplified by a poem published in the al-Sharq newspaper on November 1, 2023, that referred to Jews as “apes and swine who are innately deceptive and will be defeated.”

However, the most evident breach of civil rights in the country is the treatment of expatriate workers, especially South Asians in the construction sector. Numerous reports by international human rights organizations and the International Labour Organization (ILO) have documented extensive cases of abuse of these workers. The problems largely stem from the kafala (sponsorship) system that is widespread on the Arabian Peninsula, and which puts workers entirely at the mercy of their employers. Although Qatar officially abolished this in 2016, significant changes did not occur until at least 2020, not least due to international pressure in the run-up to the 2022 FIFA World Cup. In February 2021, a report from The Guardian newspaper estimated that more than 6,500 migrant deaths had taken place since then. However, that estimate included all causes of death, not just work-related ones. Hassan al-Thawadi, the secretary-general of Qatar’s World Cup organizing committee, cited a significantly lower figure of “around 400,” while prior statements acknowledged 37 non-work-related and three work-related deaths in the period from 2014 to 2020. It is impossible to determine the actual number, though it is likely to fall between the various estimates.

In recent years, Qatar has implemented several measures aimed at improving labor laws and was commended by the U.N. Human Rights Council in November 2024. It became the first Gulf country to pass an asylum law for refugees, and has joined two key human rights treaties: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. However, Qatar stopped short of establishing fully equal rights for women and migrants. Qatar also introduced a new residency law, allowing non-Qatari spouses of Qatari women and their children to apply for permanent residency, although not citizenship. The exit permit requirement was abolished, and Qatar became the first Arab Gulf country to abolish the requirement that workers receive employer permission to change jobs before the end of their contracts – so-called No-Objection Certificates (NOC) – a key pillar of the kafala system. The 2020 reforms also raised the minimum wage for migrant workers to \$274 from the \$200 level that was introduced in 2017, with additional allowances for food and accommodation. The new provisions also covered domestic workers who had been previously excluded from most rights protections. In March 2021, Qatar introduced the region’s first non-discriminatory minimum wage, benefiting an estimated 400,000 workers. This was equivalent to 20% of the private sector workforce. In May 2021, a ministerial decision limited the number of allowed outdoors working hours during the summer months. This led to a 77% drop in the number of patients with heat-related disorders in Qatari hospitals in two years, according to an ILO report.

Human rights organizations such as Human Rights Watch and Amnesty International contend that many restrictions remain and that detrimental practices – including non-payment of wages, passport confiscations, high recruitment fees, exploitation through illegal “Azad” visas, criminalization of “absconding” from work and physical abuse – are widespread and, though criminalized, largely go unpunished. The prohibition against unionization and strikes has not been lifted. The ILO, which signed a new four-year cooperation program with Qatar in 2024, has deemed the minimum wage to be too low. Employers continue to demand end-of-employment letters, which reintroduce NOCs through the back door, making it hard to change employment without the employer’s permission. While recent legislation has led to the establishment of joint worker-management committees at the enterprise level, resulting in elected migrant worker representatives, a first in the region, there has also been backsliding, as when the Shura Council decided in June 2024 to require employer approval – obtained via the Metrash application at least five days in advance – before leaving the country. This de facto reintroduces the exit permit.

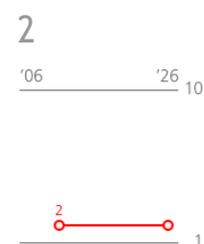
It is likely that previous progress will slow significantly or even reverse as international attention and pressure on Qatar wane.

4 | Stability of Democratic Institutions

Apart from the CMC, Qatar lacks democratic political and judicial institutions. The Shura has the power to propose legislation, review the budget and oversee the Council of Ministers, but it is not a fully functioning legislative body and, after a brief electoral experiment with the 2021 Shura Council elections, has been returned to its status as a purely appointed body for the future. As Emir Tamim himself said in October 2024: “The Shura Council is not a representative parliament in a democratic system, and its status and powers will not be affected whether its members are chosen by election or appointment.” The emir retains veto power. Key political areas such as defense and the economy are off-limits. The judiciary has been strengthened over the last decade through various measures that have placed the emir and cabinet members formally under the court’s jurisdiction, among other changes.

The most important forums for public participation are regular private majalis (the plural of “majlis”; these are quasi-formal social gatherings), where citizens – mostly men, although sometimes women as well – meet to discuss and channel grievances upward through local sheikhs to the emiri diwan (the royal court). Examples of the influence exerted by these majalis include the implementation of a ban on alcohol sales in The Pearl (an artificial island in Doha) and the introduction of Arabic as the language of instruction for most subjects at Qatar University. In a March 2023 SESRI study, 83% of Qatari respondents said they attended majalis at least once a week.

Performance of democratic institutions



Political decisions in Qatar are made not by democratic institutions but by the royal family and its associates. At present, no actor or group poses a serious threat to or publicly questions the political system in Qatar. The emir wields wide-ranging power over the country’s affairs and apparently enjoys the support of most Qataris, especially since the Saudi- and UAE-led attempts to destabilize his regime. Rival royal family members, supported by hostile Gulf states, do not seem to have significant support in Qatar.

Commitment to democratic institutions



The aborted experiment with elections to the Shura indicates that Qataris prefer stability and royal authority to the expansion of democratic institutions or liberalization. Even the youth are highly conservative – according to a SESRI study from January 2023, 51% of polled Qatari youth indicated that “maintaining stability and security” was the civic engagement value most important to them, with only 12% choosing “giving people more say in important government decisions” (the fourth-place option). External pressure to democratize is also practically nonexistent today, as the international attention that had focused on the emirate due to the Arab Spring, the blockade and the World Cup has now waned. This makes further far-reaching reforms unlikely. However, the need to secure external allies during the Gulf crisis, the enhancement of public support for the ruler and the development of a positive national identity have created some political space for carrying out long-overdue structural reforms.



5 | Political and Social Integration

Political parties do not exist in Qatar, and for the time being there is no indication that they will be allowed to emerge in the near future.

Party system



The registration process for non-governmental organizations (NGOs) and professional and private associations is complicated and costly. NGOs must have QAR 10 million (\$2.7 million) in capital and secure their own or rented premises within six months of being licensed.

Interest groups



Nonetheless, several groups were established during the review period, mainly in human rights areas such as trafficking, children’s rights and women’s empowerment. All are under government control.



The renowned Qatar Foundation (QF) is the brainchild of the former emir’s wife and the current emir’s mother, Sheikha Moza bint Nasser al-Misnad, who also serves as its chair. The QF is another official tool for improving education and research

opportunities in Qatar, and has helped promote a positive image of the country in the decade since its inception. While the government has repeatedly reduced the QF's budget due to fiscal constraints, it remains the most powerful instrument for advancing the government's development agenda.

Institutions are generally of little importance in Qatar; rather, personal bonds often prevail. Citizens' interests are transmitted mainly through majalis, in which the vast majority of Qatari men and many Qatari women participate regularly.

Qataris appear satisfied with the authoritarian political system, as evidenced by periodic SESRI surveys. The political system is widely perceived as legitimate, and no widespread dissatisfaction or serious challenge to it has been reported. This perception is reinforced by the fact that Qatar has seen only minor protests, most recently against discriminatory stipulations in the new electoral law, which were apparently resolved through the November 2024 referendum. In a March 2023 SESRI study on national identity, 97% of respondents agreed that trusting the government to always do the right thing is important to Qatari identity.

However, much of this loyalty is bought. Per capita incomes among Qataris are among the world's highest, life is comfortable, and people are apparently satisfied with the status quo. More than in any other Arab Gulf state, even Saudi Arabia, the ruling regime is set on maintaining the implicit social contract with the national population. The bond between the government and the populace grew even closer during the blockade and the World Cup. Because citizens have the opportunity to participate in majalis and vote in municipal elections, they often consider Qatar's political system – which is strongly authoritarian by international standards – to be democratic.

Formal associations have been emerging in Qatar, but – except for expatriate ethnic and regional organizations – most NGOs are RONGOs (royally organized NGOs) that are dependent on, or even part of, the regime. In 2004, Qataris and foreigners were granted the right to form associations, but forming them is expensive, with the process complicated by bureaucratic red tape. Other organizations that support the government's work, such as the Red Crescent and the Qatar Foundation, have been active in the health care, education and research sectors, although funding cuts have forced some programs to be scaled down. The state's generous redistributive policies make poverty among Qatari citizens almost unknown, and there are no associations that provide support for the destitute.

Social groups are mostly segregated by citizenship status. Expat organizations are often exclusionary and based on ethnicity or country of origin. There are online umbrella associations of professionals and highly skilled foreigners, such as InterNations and expat.com. However, the blockade and the World Cup helped tighten bonds within society. According to a March 2023 SESRI study on National Identity, all respondents said they were proud to belong to Qatar. In the Legatum

Approval of
democracy

n/a

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n/a 1

Social capital

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Prosperity Index 2023, Qatar was ranked 51st out of 167 countries and first in the region in the category of social capital, mainly due to high levels of perceived tolerance of immigrants, helping strangers and donations to charity.

II. Economic Transformation

6 | Level of Socioeconomic Development

Qatar has been working to transition from a hydrocarbon-based rentier economy to a knowledge-based service economy. The country's quantitative indicators of progress are remarkable, particularly given the restrictive blockade imposed by its neighbors from mid-2017 to January 2021. Nonetheless, Qatar maintains a “very high” ranking on the 2023/24 Human Development Index, placing 40th out of 193 countries.

While the incidence of poverty among citizens, based on international criteria, is nearly zero, inequality does exist, as does the public perception of it. However, as in other Arab Gulf states, publicly available data on inequality are limited to 2007, showing a Gini coefficient of 41.1. Inequality has most likely increased since that time due to labor-saving technological innovations.

Meanwhile, low-skilled foreign workers are paid wages that are extremely low by local standards and are subject to strict, sometimes oppressive working conditions. Foreign workers pay subsidized fees for water and electricity. About 2 million temporary workers live on the margins of society, and the government seldom considers their welfare in its planning. Most live in areas designated by the Qatari government as “labor camps,” many of which are outside the city and lack basic amenities.

Although women are not officially discriminated against, they face disadvantages compared with men in Qatar's patriarchal society. In the UNDP's most recent Gender Inequality Index (2022), Qatar was ranked 54th out of 191 countries worldwide, and was among the highest-ranking Arab countries. Nevertheless, Qatar still falls behind OECD countries on this measure. The comparatively high ranking stems primarily from Qatar's elevated standard of living and strong scores in the category of women's education.

Question
Score

Socioeconomic
barriers

8



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Economic indicators		2021	2022	2023	2024
GDP	\$ M	179732.0	235709.3	213002.8	217983.0
GDP growth	%	1.6	4.2	1.2	2.8
Inflation (CPI)	%	2.3	5.0	3.0	1.3
Unemployment	%	0.1	0.1	0.1	0.1
Foreign direct investment	% of GDP	-0.6	0.0	-0.2	0.2
Export growth	%	-	-	-	-
Import growth	%	-	-	-	-
Current account balance	\$ M	26319.2	63117.9	36452.6	37884.6
Public debt	% of GDP	58.4	42.6	43.7	41.2
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	16.6	12.9	-	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	2.5	1.8	-	-
R&D expenditure	% of GDP	0.7	-	-	-
Military expenditure	% of GDP	6.5	7.0	-	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Despite the Qatari government's efforts to promote competition and privatization, the most prominent enterprises in Qatar remain state-owned. A significant share of the economy is influenced directly or indirectly by members of the royal family. Key state-owned entities, such as Qatar Airways, receive substantial subsidies during times of economic crisis.

Although it has eased in recent years, discrimination against foreign businesses and investment persists. Since 2019, fully foreign-owned companies are allowed in most sectors, provided they are authorized by the Ministry of Commerce and Industry. However, some sectors such as telecommunications remain barred to foreign ownership. Furthermore, the criminalization of efforts to conceal undisclosed commercial and business activities by non-Qataris was strengthened by Law No. 3 of 2023 (the "Proxy Law"), which entered into force in April 2023 and provides punishments ranging from deportation to as much as two years in prison.

Foreign nationals also face tight restrictions on property ownership. The Qatari riyal (QAR) is freely convertible into other currencies.

In the wake of a construction boom throughout the Gulf region that has lasted for years, the government now regulates steel prices to safeguard domestic steel producers. Subsidies for agriculture, gasoline and utilities were scaled back following the blockade and pandemic. Nevertheless, according to an August 2023 working paper by the IMF, Qatar's per capita fossil fuel subsidies in 2022, at \$14,100, were by far the highest globally.

The Heritage Foundation's Index of Economic Freedom 2024 gave Qatar a score of 60 in the investment freedom subindex, as in previous years. The Global Innovation Index (GII) 2024 ranks Qatar's policies for doing business at 11th place worldwide, recognizing them as a strength.

Informal labor is extremely rare among Qatari nationals, but remains a significant issue for blue-collar migrant workers. These workers often endure servile conditions that authorities tacitly approve of or tolerate.

Competition Law No. 19 on the Protection of Competition and Prohibition of Monopoly Practices, introduced a new jurisprudential regime in Qatar in 2006, largely in response to obligations created by multilateral trade agreements and World Trade Organization (WTO) requirements. It applies to all private business activities and aims to achieve a level playing field for business competition and create an open, transparent business environment. The law prohibits collusion, mergers and abusive conduct that would result in dominant market positions. Law No. 19/2006 also established a Competition Protection and Anti-Monopoly Committee within the Ministry of Economy and Commerce, which has been active since 2008.

Market
organization

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Competition policy

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However, competition law does not apply to government activities or state-owned corporations. State entities in many sectors such as transportation, gasoline retail, and meat and livestock still hold monopolies and face soft budget constraints. Amid corruption allegations and concerns that the agreement asymmetrically benefits Qatar and imposes competitive burdens on European airlines, Lufthansa has called for the immediate suspension of the EU-Qatar Open Skies Agreement, which has been intermittently in place since 2021.

Qatar became a member of the World Trade Organization (WTO) in January 1996 and has generally complied with its obligations under WTO regulations. It has implemented reforms aimed at improving the entrepreneurial environment and diversifying the country's economic base beyond oil and gas. Qatar has also taken steps to establish itself as a regional financial hub, opening its trade sector early on.

As a Gulf Cooperation Council (GCC) member, Qatar is also a signatory to that organization's free trade agreement. Trade has picked up quickly since the end of the blockade. Qatar has expanded trade relations with Iran, Türkiye and Asian markets as well as with its GCC neighbors.

In 2022, as in the 2012/13 period, trade (exports plus imports) amounted to 100% of the country's GDP, having shown a continuous increase since 2020 and replicating the pattern of an increasing trade-to-GDP ratio from 2009 to 2012. According to the 2024 Index of Economic Freedom (IEF), published by the Heritage Foundation, Qatar's trade openness surpasses both regional and global averages, and has again reached pre-pandemic levels, qualifying it as a "free" economy in the report's trade freedom category. The trade-weighted average tariff rate is 4.2%, as in previous years.

Qatar has run a trade surplus since 2004. It recorded a slight 2.2% year-over-year drop in exports in the third quarter of 2024, but a 3.3% quarter-over-quarter increase. In 2023, the simple average of the applied total MFN tariff rate was 4.7%, lower than the regional average. Non-tariff barriers remain low.

Qatar has the authority to prohibit the import of items considered religiously or politically sensitive, such as pornography, narcotics and pork products. These prohibitions have been imposed on occasion.

Qatar Central Bank (QCB) and the Qatar Financial Center Regulatory Authority supervise financial markets, but neither institution can act independently of the government.

Qatar's largest private bank is Qatar National Bank (QNB), although that entity's domestic market share has declined amid stiff competition and aggressive policies by competitors. The country also hosts branches of international banks such as HSBC.

Liberalization of
foreign trade



1

Banking system



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Qatar's banking system remains resilient and profitable, reflecting high-quality assets, strong profitability and sound capitalization levels. The sector often operates well above Basel standards. According to a PricewaterhouseCoopers (PwC) report from November 2024, the banking sector is robust, facilitating financial stability and stable returns. Both the PwC report and an S&P Global Ratings report on the Qatar banking sector in 2025 expect a positive and stable outlook for the immediate future. In 2023, total assets grew by 3.4%. Growth in non-performing loans slowed significantly to 7.6%, down from 29.7% in 2022, raising their share of total loans slightly from 3.7% to 3.9%. The banking sector's gross income grew by 50.2% in 2023 largely due to the repricing of existing variable-rate portfolios and higher rates for new facilities. Net profits before taxes rose by almost 11%, a rate similar to previous years. The liquidity coverage ratio improved by 16.3%. The loan-to-deposit ratio remained stable at 116.9%, as did the capital adequacy ratio, at 18.9%, indicating effective liquidity management and capitalization.

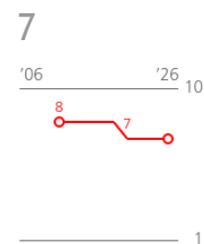
Qatar has adequately responded to the decrease in the U.S. federal interest rate and has successfully balanced its twin focus on inflation and economic growth, for example when the QCB cut the deposit, lending and repo rates by 55 basis points each in September 2024. However, according to Fitch Ratings as of October 2024, Qatari banks face greater asset-quality pressures than do other GCC countries because of stronger pressures in the real estate and construction sectors. This raises the sector's cost of risk, a factor that was not offset by the World Cup as much as hoped. Nevertheless, the cost of risk has continued to decline since 2022.

8 | Monetary and fiscal stability

Inflation rates have stabilized in recent years following the GCC blockade and pandemic shocks. While the annualized rate was 2.3% in 2021, it surged to 5% in 2022 and returned to 3% in 2023, according to the IMF. The World Bank forecasts a future deceleration due to tight monetary policy, predicting rates of 2.1% for 2024 and 1.9% for 2025.

Because the Qatari riyal is pegged to the U.S. dollar at QAR 3.64 per \$1, monetary policy options are severely limited. However, the overall policy remains robust and has been continuously lauded by the IMF. Following the recommendation to establish a fintech regulatory framework, a fintech strategy was launched in 2023. However, according to the IMF Article IV report published in February 2024, the implementation guidelines – currently still under development as of the time of writing – must be further aligned with global best practices and made consistent with the QCB's mandate. Although central bank Law 13/2012 increased the central bank's supervisory prerogatives, its legal independence may be compromised because its governor, Sheikh Bandar bin Mohammed bin Saoud Al Thani, is a member of the emir's family.

Monetary stability



Budget deficits are rare in Qatar and have not occurred since the 2020 pandemic. In 2023, Qatar generated a surplus of 5.6% of GDP, close to the average of 6% from 2001 to 2023, and the 2024 budget is also estimated to have generated a significant surplus because of higher oil prices.

Total reserves excluding gold have continued to rise since 2017, reaching a value of \$44.9 billion in 2023. This compares with \$42 billion in 2022 and \$38.9 billion in 2021, according to the World Bank. Gold reserves also increased to an all-time high of 109.5 tons in the third quarter of 2024.

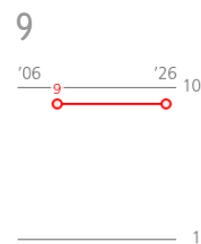
Qatar has largely succeeded in reducing its public debt, which stood at 41% of GDP in 2022 and 39% in 2024. The World Bank projects that state debt will fall further to 38% of GDP in 2025 and 36% in 2026. International rating agencies have consistently rated Qatar as “stable” since 2018 despite obstacles, regarding its fiscal policy as prudent, taking into account the quick reprioritization in response to external shocks such as the blockade and the pandemic. Due to the expansion in LNG production, intensified structural reforms and the abatement of post-World Cup growth moderation, Qatar’s economy continues to grow, and its outlook is consistently rated as favorable. However, not all announced and demanded reforms have yet been instituted. For example, the introduction of a value-added tax adopted by the GCC has again been delayed until 2025. The IMF (in a December 2024 statement following an Article IV consultation) expects conditions of fiscal discipline to persist through 2024 and 2025, and commends the extension of the medium-term budget to cover five years and the country’s progress in implementing program-based budgeting, thus bolstering fiscal sustainability.

In 2019, Qatar introduced an excise “sin tax” on sugary drinks, tobacco and other consumer goods linked to negative public health outcomes. Currently, the overall tax burden is 14.7% of total domestic income. To oversee tax collection and compliance, Qatar established the General Tax Authority (GTA) within the Ministry of Finance (MoF) in January 2019.

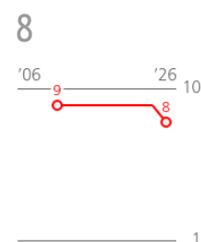
9 | Private Property

Qatar has no single codified source of property law, but a set of laws, ministerial decrees and resolutions constitutes the country’s regulatory framework for property ownership. For years, only Qatari nationals were allowed to own property. However, the country has gradually liberalized property ownership laws to allow for holdings by foreign nationals. In recent years, Qatar has also opened designated areas of the real estate market to non-Qataris and non-GCC nationals. The laws that enacted these changes grant non-Qataris both ownership and usufruct rights in residential real estate in specific investment zones, such as The Pearl and West Bay districts of Doha. The introduction of the Office for Non-Qatari Real Estate Ownership facilitates coordination.

Fiscal stability



Property rights



According to the IEF 2024, Qatar’s property rights score has improved since 2019, placing the country in the higher “mostly free” category in 2023 and 2024. In the International Property Rights Index 2024, Qatar ranks first in the region and 16th globally with respect to physical property rights, but only 67th globally in the category of intellectual property rights, mainly because of low scores on patent and trademark protection.

The Qatar National Vision (QNV) 2030 agenda focuses strongly on the performance of Qatari companies. The privatization of parts of the telecommunications and utilities sectors over the past decade has drawn praise from Qatari business leaders for improving the economy’s efficiency.

Privatization sometimes proceeds unevenly. Given the monopolies held by members of the royal family, the distinction between the public and private sector in large-scale projects is superfluous. The health sector is among the priorities for future privatization. Privatization initiatives can be controversial among the populace, as was evident in June 2022 when municipal sanitation and recycling services were privatized.

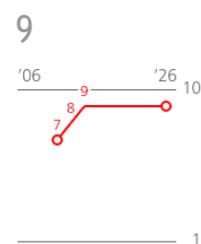
To mitigate the impact of the pandemic on small and medium-sized enterprises (SMEs) in the country, the government has implemented a QAR 5 billion (about \$1.4 billion) credit guarantee scheme. The Qatar Development Bank (QDB) administers the program. The Legatum Prosperity Index 2023 ranks the country’s financing of SMEs as the best globally since 2019; it also ranks the country at 26th place out of 167 nations on the enterprise conditions subindex.

10 | Welfare Regime

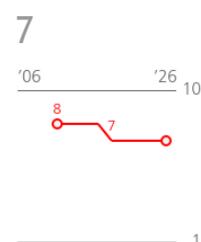
Qatar’s welfare regime for citizens has remained intact and wide-ranging even during times of crisis. Social spending remains generous overall, and no income tax is imposed on individuals. Citizens receive free health care, water, electricity and education, while other residents are provided with subsidized rates for these services. Furthermore, generous loans and subsidies are available in areas such as housing and marriage. Qatari students who choose to study abroad can also apply for grants from the Higher Education Institute. Eligible nationals have access to basic food items, such as rice and sugar, at subsidized prices for their families. There is a social insurance scheme for Qatari nationals, with the employer paying 14% and the employee paying half that amount. A minimum monthly pension of QAR 15,000 (\$4,100) is guaranteed for public sector employees. To cut costs, the minimum pension age has been raised to a still-generous 50 up from 40, and the minimum duration of employment has been increased to 25 from 15 years.

Qatar’s public health care system has improved significantly in recent years. In the 2025 budget, health sector spending has been increased to account for 20% of all spending. The 2023 Legatum Prosperity Index rates Qatar as having the best health

Private enterprise



Social safety nets



care coverage among 167 countries worldwide. Life expectancy at birth has consistently risen to 82.5 years, close to the Qatar National Vision’s 2030 target of 82.6 years.

Basic health care is provided by the state through Hamad Medical Corporation, which operates several clinics and specialized hospitals. The corporation has expanded in response to population growth over the past few years. Services are free for citizens, while other residents must pay a small amount to be eligible for treatment. Since 2018, resident cancer patients have received free treatment.

In recent years, institutions have been established to assist low-income families and people with disabilities through education and job training programs. The government has also launched a National Health Strategy (2024 – 2030) that focuses on public health care. This focus is evident in the government’s expenditures.

With the major crises of the past few years over, efforts to introduce taxation and to curb extensive government spending by reducing subsidies remain on track. Since 2015, Emir Tamim has consistently emphasized that the government can no longer “provide for everything” and that the nation must move from “simple social welfare policies” to “a proactive state” by empowering its citizens. As a result, subsidy cuts have been implemented, leading to higher utility rates, gasoline prices and postal service costs. The Third National Development Strategy (NDS3) (2024 – 2030) emphasizes sustainability and prosperity. The IMF recommends further cuts to utility and energy subsidies.

Article 19 of the constitution calls for equal opportunity for all citizens. Article 35 enshrines gender, racial, linguistic and religious equality. According to the National Planning Council (NPC), the overwhelmingly male composition of the expatriate worker population, primarily in the construction sector, resulted in Qatar’s resident population being more than 70% male in November 2024. Because of this extreme gender imbalance in the foreign workforce, women make up only 17% of the total working population, although that share has risen very slowly but continuously in the last few years. The blockade had the unintended positive consequence of increasing women’s participation in the private sector workforce by a factor of four, according to the Qatar Chamber. While the overall labor force participation rate is on the rise, it is still significantly lower for women (63.5%) than for men (95.4%), according to the most recent available 2023 figures.

Qatari women outperform men in education. The proportion of Qatari women enrolled in secondary and tertiary education exceeds that of men. About two of every three students enrolled at the tertiary level are female. Many factors explain this phenomenon. First, a significantly higher percentage of male students than female students are allowed by their parents to pursue studies outside the country. Second, staying in the education system may also be a way to avoid early, undesirable marriage, which is increasingly perceived by educated women as the end of personal

Equal opportunity

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freedom. Men are more likely to take jobs in the public sector, which require only a secondary school diploma. Gender-segregated education may also have boosted female enrollment rates at all levels, because some parents would not have allowed their children to enroll in coeducational institutions. While Qatar University remains gender-segregated, the foreign branch campuses in Education City are coeducational. However, the share of Qatari nationals enrolling at all of these branch campuses combined is a fraction of the share enrolling at Qatar University.

There are no legal obstacles to political participation for women, but Qatar remains male-dominated in this area. Currently, women head two ministries, the Ministry of Social Development and Family and the Ministry of Education and Higher Education. Women also have not fared well in elections. No women were elected in the first Shura elections in 2021. The emir appointed two women as members, but no women won seats in the 2023 Central Municipal Council (CMC) elections. However, some women are nonetheless highly respected in the political sphere. Shaikha bint Yousif al-Jufairi, one of the two women to win seats in the previous CMC elections, received the highest vote margin among all CMC winners. She has since entered the Shura as one of the appointed members.

Although most gender discrimination is rooted in culture, discrimination based on nationality and citizenship status is legally sanctioned and actively encouraged. As part of the “Qatarization” push, companies operating in the country are required to recruit nationals in order to meet government targets, although these targets are rarely met. While the kafala system has been virtually dismantled over the last few years, restrictions and discrimination against migrant workers remain widespread.

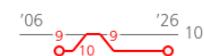
11 | Economic Performance

Qatar’s economy is highly dependent on hydrocarbons. In addition to oil, it has the world’s third-largest proven natural gas reserves, behind Russia and Iran, making it less vulnerable to short-term oil price volatility than its neighbors. It also has not been bound by OPEC quotas since its exit from that organization in 2019. Its gas has been especially sought-after since the global divestment from Russian gas, which followed that country’s invasion of Ukraine. Qatar is the world’s largest liquefied natural gas (LNG) exporter.

Nonetheless, over the past few years Qatar has diversified into non-hydrocarbon sectors, which account for a growing share of GDP. As part of its Qatar National Vision 2030 agenda, the Ministry of Commerce and Industry aims for 3.4% growth in the non-hydrocarbon sectors of GDP. Qatar has consistently posted budget surpluses since 2022, a trend that is expected to continue. The current account balance (consisting of the sum of the balance of trade, net income from abroad and net current transfers) showed a surplus of 17.1% of GDP in 2023 and 13.4% in 2024, and is expected to remain at that level for the next few years.

Output strength

9



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Real GDP has continued to grow since the pandemic, at a rate of 1.2% in 2023 and 1.5% in 2024. It is expected to grow further at a modest rate, supported by the expansion of non-hydrocarbon revenues and especially LNG production due to the North Field expansion project scheduled for the end of 2025 through 2027. GDP per capita in terms of purchasing power parity (PPP), still one of the highest such figures in the world, quickly resumed its pre-pandemic growth and rose to \$115,070 in 2024 and is expected to rise further.

Unemployment remains negligible, ranging from a rate of 0.1% to 0.2%, according to various sources. Qatar's small population and abundant resources allow the government to create jobs in the public sector. These jobs often do not require a college degree and offer significant benefits, high salaries, job security and prestige. As a result, Qataris have little incentive to work in the highly competitive private sector. However, the country is also focusing on promoting private sector growth and is opening the economy to international companies.

Attracting foreign direct investment is a key part of Qatar's National Development Strategy (NDS). Inflows have been slightly negative in the last few years, amounting to about -0.5% of GDP in 2023.

12 | Sustainability

Qatar has a long way to go with regard to implementation of a sustainable environmental policy, but awareness of environmental problems is growing in government and the broader society. Environmental sustainability is explicitly emphasized as a key strategic outcome in the NDS3. Among the 2030 targets are reductions in greenhouse gas emissions, water consumption and food waste, respectively by one-quarter, one-third and one-half. The 2021 Qatar National Environment and Climate Change Strategy has been a key document in this regard.

The Ministry of Environment, the Qatar Foundation, and the national power and water company, Kahramaa, have initiated campaigns to raise environmental awareness and incentivize environmental protection. These include the Qatar Today Green Award; Qatar Sustainability Week, which was held for the ninth time in October 2024; and the Tarsheed (Guidance) campaign, for example. However, progress remains limited, especially among citizens. According to an August 2021 survey by Qatar's Environment and Energy Research Institute (QEERI), 71% of Qatari men and 58% of Qatari women said they did not recycle.

Qatar has one of the world's highest ecological footprints. If the world's population lived as Qatar did in 2023, Earth's Overshoot Day in 2025 would have arrived on February 6 – the earliest date that year, and earlier than in previous years.

Environmental
policy

4

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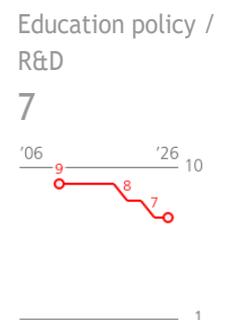
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This is due not only to the overabundance of hydrocarbons per se but also to the use of fossil fuels to generate electricity, desalinate water, process natural gas and engage in wasteful consumption in general. Both water and electricity are often wasted because citizens receive them at no cost. The situation is further exacerbated by low fuel prices. Qatar's per capita water consumption is among the highest in the world. The need for self-sufficiency in food production, brought on by border closures during the blockade, has increased the ecological impact of already resource-intensive agriculture, which relies heavily on water, energy and fertilizers. Wastewater management and desalination are priorities. Qatar, one of the seven most water-stressed countries in the world according to the 2024 Aqueduct Water Risk Atlas, is, in fact, a world leader in wastewater collection, according to the Environmental Performance Index (EPI). The government, in collaboration with QEERI, is working on solutions and policies to curb the growing water shortage.

The buildup of public transportation options before the World Cup – including the Doha Metro network and a light-rail line – constitutes one emissions-reduction strategy for Qatar, which is among the world's worst offenders, especially with regard to CO₂, NO_x and methane emissions.

Qatar aims to be a leader in the fields of higher education and scientific research, both regionally and internationally. The nation continues to increase investment in the sector, seeking to transform its resource-rich economy into a knowledge-based one. However, while the massive resources invested in education and technology ensure high-quality infrastructure, they do not always produce high-quality human capital. This assessment is shared by the 2024 Global Innovation Index, which ranked Qatar at 73rd place out of 133 countries in the education category, and at 56th in R&D. Moreover, the index records a modest decline in knowledge and technology outputs, with the country falling from 69th place in 2022 to 82nd in 2024. On the other hand, in contrast to primary and secondary education, the country's tertiary education system is well regarded, with its rating in this index rising from 46th place in 2020 to 10th in 2022, then falling again to 15th place in 2024. Qatar excels with regard to general infrastructure and access to information and communication technologies. It boasts almost universal internet access (99.9%) among the adult population. Although the overall literacy rate is almost 99%, and education is consistently one of the government's top three priorities, relative spending falls below the global average. The share of expenditure dedicated to education increased to 9% of the total budget for 2023 and has remained at that level since. That amounts to 3.1% of GDP, compared with 3.8% globally. R&D expenditure has risen slightly to a low 0.7% of GDP.

Qatar's leadership has sought international assistance to formulate educational reform policies and establish new academic institutions and research centers under the auspices of the Qatar Foundation (QF). It has implemented several prominent projects that highlight Qatar's dedication to education, including the Qatar Science



and Technology Park and the Sidra Medical and Research Center. Education City, emblematic of Qatar's educational aspirations, houses seven international universities (American, French and British), one Qatari university and several academies.

However, none of this conceals the fact that the education system fails to deliver the desired results. Some Qataris question whether the standards of the foreign "branch" university campuses are on par with those of their main campuses, and whether the high cost of these universities is justified given the relatively low number of Qatari students attending. There is also concern that the heavy emphasis on the use of English in these institutions undermines the importance of Arabic, leading to a Western-educated elite that is disconnected from the majority of the Qatari population. The educational level of graduates, particularly in science and mathematics, is frequently deemed insufficient.

There is a disproportionate focus on tertiary education at the expense of pre-college education – a situation only partially addressed by the establishment of 13 pre-university schools in Education City. At the tertiary level, the switch to Arabic as the medium of instruction at Qatar University has significantly lowered teaching quality. High-quality teachers are hired only if they are native Arabic speakers, with exceptions in some departments. These factors have contributed to Qatar's underperformance in international education and research rankings, causing it to fall behind some neighboring countries.

Governance

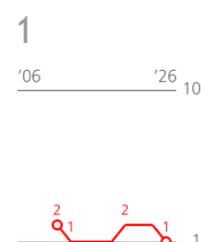
I. Level of Difficulty

The 2024 World Risk Report continues to identify Qatar, among all 193 U.N. member states, as one of the countries that is least vulnerable to natural disasters (ranked 184th globally). Budget surpluses have generally been large enough to offset the extremely hot climate and the lack of agricultural land, forests and water. Budget deficits posted during the blockade and pandemic years did not seriously hamper management capacity and have not resurfaced since. Poverty (among citizens) remains unheard of in this tiny Arab Gulf state.

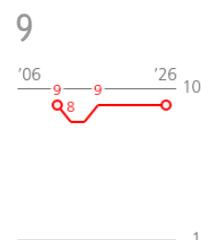
The only external constraints are hydrocarbon prices and Qatar's tiny size combined with its geostrategic location between Saudi Arabia and Iran, a combination that proved problematic during the blockade. However, neither the GCC blockade (officially over as of January 2021) nor the pandemic caused irreparable damage to the country. In fact, the former turned out to be a blessing in disguise in the long run, as it pushed Qatar to diversify its imports, create domestic investment opportunities and generate political capital, enabling the ruling regime to carry out tough structural reforms and weather the adverse effects of anti-pandemic measures.

Traditions of civic engagement in Qatar are underdeveloped even by Arab Gulf standards. Qatar went from a tiny peninsula dotted with small fishing villages to an economic powerhouse in only a few decades, all under the leadership of one family, without serious challenge from any other power center such the merchant class in Kuwait, for example. This meant that traditions of societal negotiation were not forced to develop over time, and the various strata of society did not form the habits of interaction that tend to foster civil society activity, apart from neo-patrimonial patronage relations common in the Gulf. Though the Qatar National Vision (QNV) 2030 agenda calls for "strong and active civil society organizations," little has changed on the ground. In fact, the country's only associations are either sponsored and run by the government or are quasi-governmental organizations. The one experiment with meaningful elections to the Shura has been abandoned in favor of trust in authority – that is, appointment by the emir. Still, the rally-around-the-flag effect, induced by the blockade, the pandemic and the World Cup, has brought citizens closer together and will probably have a formative effect on Qatar's emerging civil society.

Structural constraints



Civil society traditions



Qatar's native population is highly homogeneous and lacks serious religious or ethnic cleavages. Although Shi'ites constitute about 10% of the Qatari population, they are well integrated into society, and wealthy Shi'ite businessmen fully support the Sunni ruling family. However, as Hanbali Muslims, many Qataris hold strong negative opinions about Shi'ites.

Violence is not a serious problem in the country. Even divisions between non-citizens and Qataris, important as they are from a socioeconomic perspective, are overwhelmingly nonviolent. The 2021 Shura elections unveiled long-standing but latent conflicts between "native" and "naturalized" Qataris, especially among the Al Murrah tribe, which has long had a contentious relationship with the state. These tensions did not result in long-term or violent conflict. The November 2024 constitutional referendum helped alleviate the tensions by removing most of these distinctions. The broad support for the constitutional changes, with over 90% of Qataris voting in favor, signals the success of the measure. Qatar has mostly returned to its previous standing as a popular regional mediator. The country fell nine places in the 2024 Global Peace Index to 29th out of 163 countries, now trailing Kuwait. This was mainly because of high levels of military spending; however, it is still one of only two MENA countries among the top 30 most peaceful countries globally.

Conflict intensity

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II. Governance Performance

14 | Steering Capability

Given the economy's reliance on the hydrocarbon sector and the limits of those natural resources, there is a consensus among Qatar's ruling elite that the country needs a long-term strategy. The crises of the previous decade underscored the need for greater economic autonomy and diversification. The Qatar National Vision 2030 agenda enshrines such long-term strategic priorities, including building a knowledge-based society, creating a world-class health care system and engaging in further "Qatarization." Priorities have shifted due to political and economic pressures, but have remained intact. Diversification away from overreliance on hydrocarbon revenue and foreign workers is a core aim and has received even greater urgency in the shorter-term five-year plans, including the third and last NDS (2024 – 2030).

Qatari authorities, especially the emir, have sought to strike a balance between modernity and tradition. Yet the government's long-term strategic aims do not include a transformation toward democracy. The November 2024 constitutional referendum abolishing the Shura Council vote is a major case in point.

Question

Score

Prioritization

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Institutionally, Qatar established the National Planning Council (NPC) in 2024 to replace the Planning and Statistics Authority and streamline prioritization and long-term planning. However, key decisions are made in a top-down manner, and the NPC is chaired by the prime minister, his deputy and the minister of state for defense affairs.

Since Qatar is an authoritarian monarchy, the small governing body is unrestricted in implementing its policies; however, its main obstacles still stem from popular pressure among its tiny, conservative population. Limited steps have been taken toward liberalization by transforming the current system into a constitutional monarchy, but these attempts remain in the early stages. Public opinion on controversial issues such as the sale of alcohol has forced the government to change its policies.

The diversification of the economy is ongoing. Non-hydrocarbon revenues in sectors such as tourism are slowly rising, but the expected expansion of LNG production – driven by the North Field expansion – will likely have a greater impact on the country’s economy. At the same time, other projects are back on track following the redirection forced by the blockade, the pandemic and the 2022 FIFA World Cup. The government considers the second NDS to be mostly successfully implemented. Together with Kuwait, Qatar remains one of the last GCC states that has not yet introduced a value-added tax, although this was planned for 2025. It remains to be seen whether this will be carried out, but other controversial decisions (like the Shura elections) have ultimately been implemented in the past, even if only after multiple delays.

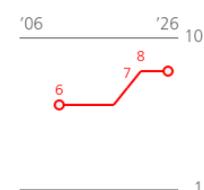
Qatarization continues to progress slowly, but remains an important target. A new law set to take effect in March 2025 introduces fines and sanctions for firms failing to comply with Qatarization requirements in the private sector.

Qatar has shown considerable resilience and flexibility in the face of turmoil resulting from the Arab Spring uprisings, the crumbling of the country’s outsized foreign policy ambitions and the associated regional fallout, declining hydrocarbon revenues, and intense international criticism over the 2022 World Cup. Its response to the pandemic was swift and decisive, resulting in minimal impact on public health and the economy.

Having scaled back its foreign policy activism, Qatar has largely returned to its role as mediator and has played an important part in negotiations on Afghanistan, Syria and the Gaza war. Instead of being sidelined, it redirected its focus to diversifying its economy away from its neighbors. In doing so, it has established and strengthened strategic relations with a diverse set of actors, including Asian states and Türkiye as well as states and groups under Western sanctions such as Iran, the Taliban and Hamas (while keeping its connections to Western states). It has also bolstered its self-reliance, for example by developing the local agricultural sector at great cost.

Implementation

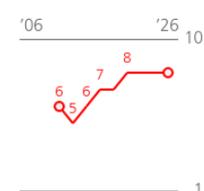
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Policy learning

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Although the conflict with other GCC states has been officially laid to rest, it remains latent, and Qatar has not returned to the status quo ante. It remains out of OPEC, trades heavily with Asia, and unveiled a National Food Security Strategy 2030 in January 2025 that includes the goal of achieving 55% self-sufficiency in vegetable production and 100% in dairy and fresh chicken by 2030.

Generally, policymakers consult both with domestic and international agencies. Most reforms are based on research and thorough consultation, and public evaluations of previous development plans have taken place before new plans are introduced. Local elected bodies have limited power to make enforceable decisions, but under the current political structure powerful individuals can influence policy formulation and implementation.

Although policy learning driven by economic pressure appears consistent and oriented toward the long term, flexibility and accommodation of humanitarian or political-system-related demands have taken a back seat because of the lack of leverage in the aftermath of the World Cup. The Shura elections were rolled back without significant international notice, and although the kafala system was officially abolished in 2016, key aspects of the model, such as the worker's complete dependence on the employer, remain de facto in place.

15 | Resource Efficiency

Improving the efficiency and effectiveness of public expenditure is a main goal of the NDS3 strategy. The temporary blockade sharpened the need for efficiency in Qatar. There has been progress with regard to reducing the public debt to 41.2% of GDP in 2024, and in diversifying the economy. The country ranks 11th out of 67 countries in the category of government efficiency in the International Institute for Management Development's IMD World Competitiveness Yearbook 2024. However, the expected cuts to government spending have not materialized in all areas. In fact, the 10% increase in salaries and wages in the planned 2025 budget is the biggest in years, and represents a setback to the bureaucratic reform and reduction in state-funded institutions accelerated by the economic pressure produced by the blockade and the pandemic. Military spending is another area in which overspending is evident, with outlays on tanks and infantry fighting vehicles set to increase to \$342 million through 2034, despite Qatar already being the biggest per capita spender on military expenditure worldwide as of 2022, according to SIPRI data.

Diversification and Qatarization of the economy remain central to the National Vision 2030 agenda, although there is still a long way to go. One side effect of Qatarization is that personnel are not used efficiently; for instance, Qatari nationals are assigned to supervisory positions even when they are much less qualified than expatriate staffers.

Efficient use of assets

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International tenders are issued to ensure efficient use of funds. Electronic systems are being implemented in the public administration, and e-government is used across all areas. Wasteful use of energy and resources has been identified as a major problem, and fees for wasting water and electricity have been raised significantly, although public awareness of these issues remains low.

Given its tiny territory and small population, Qatar's centralized structure is usually effective in implementing policies. In the Global Innovation Index 2024's government effectiveness indicator, Qatar has risen slightly to 29th place out of 133 countries (from 34th out of 132). The government has managed past crises remarkably well and has quickly and clearly formulated and defined common policy goals. Indeed, the regime has largely succeeded in balancing the interests of citizens with external pressure from the international community, although policy changes in the run-up to the World Cup led to criticism from many domestic actors.

Qatar has undertaken more anti-corruption reforms than most of its peers in the Arab world. High and regularly rising salaries, combined with a moderate public sector workload, play an important role in reducing the temptation to engage in petty corruption. This has been aided by the streamlining of the bureaucracy following government spending cuts. Qatar's exposure to the global economy has also compelled it to adhere more rigorously to international anti-corruption standards.

Article 128 of the constitution stipulates that "ministers shall not use their official posts in any way for their own interests or for the interests of [those with] whom they have special relations." The State Audit Bureau, established as an independent entity in 1973, scrutinizes the accounts of all ministries and their affiliated departments and bodies, as well as the accounts of public corporations, national companies and other government bodies. In November 2011, an Administrative Control and Transparency Authority was established to investigate abuses of power and money. According to the World Bank's Worldwide Governance Indicators (WGI), Qatar's control of corruption score has hovered around the 77th – 79th percentile ranks since 2015, with a slight drop to 75 in 2023.

However, there is a lack of transparent infrastructure and a high degree of political interference. This leads to opaque procurement practices, for example in the defense sector, which, according to Transparency International's 2020 Government Defense Integrity Index, was at "critical" risk for corruption because of a lack of oversight and accountability. This is evidenced by the Raytheon corruption scandal that involved fake contracts with Qatari companies spanning the period from 2012 to 2017, which Raytheon acknowledged in October 2024. There are virtually no measures to combat corruption outside the country, as evidenced by allegations that Qatar bribed foreign officials in the World Cup, Qatargate and Raytheon cases.

Anti-corruption institutions are also flawed. The head of the State Audit Bureau, although not currently a member of the Al Thani family, is appointed by the emir, and the body's reports are not made public. The National Committee for

Policy
coordination

9



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Anti-corruption
policy

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Accountability and Transparency, established in 2007, does not even have a contact address. There are almost no laws protecting whistleblowers, anti-corruption watchdogs and non-governmental anti-corruption agencies are practically nonexistent, and public access to information is restricted.

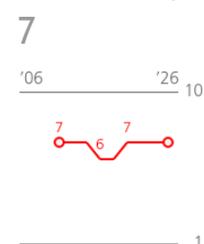
Although society largely disapproves of bribery, “wasta” – that is, patronage and nepotism practices that lead to personal gain – is not viewed as corruption. By contrast, social and tribal relations are seen as central to maintaining the social fabric. Confidence and secrecy are vital to these transactions.

16 | Consensus-Building

Given Qatar’s status as an authoritarian monarchy, the country’s leaders do not seek true democratization. However, while rhetoric valorizing democracy is often no more than lip service, consultation is integral to the political culture. Reforms are initiated by the ruling family, mainly by the emir and some key family members in a top-down manner. Although public expressions of discontent with the Al Thani regime are rare, there was some grumbling following the failure of Qatar’s ambitious foreign policy, in response to the negative publicity after the country was awarded the 2022 World Cup, and ahead of the 2021 Shura elections. Islamists and conservatives have also criticized certain reforms, such as rules allowing the sale of alcohol and regulations empowering women. Although regular surveys of citizens show high levels of support for democracy, they also reveal high levels of support for most government institutions, indicating a general interest in having a stake in the country’s future rather than a specific interest in reshaping political institutions in the monarchy.

Qatar’s economy is becoming increasingly integrated into the global economic system and has further diversified as a result of the blockade. The leadership is well aware that the current rentier economy will not last forever. As a result, reforms are underway to move the economy to a more mature stage, and the country’s efforts in this regard have been acknowledged and praised by actors such as the IMF. Political leaders and the business class (in the absence of political parties and civil society organizations) support such reforms as long as they do not harm the privileges of the citizen population. The blockade and to a lesser degree the international pressure brought on by the World Cup were seen as illegitimate intrusions by foreign powers into the country’s affairs. These stressors have brought Qatari society closer together and reinforced the existing consensus on the direction of the country.

Consensus on goals

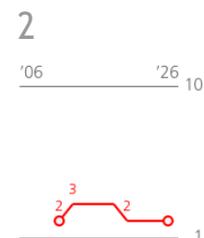


While local ‘ulama play no particular role in Qatar, traditional tribalism and kinship loyalties remain important to many Qataris. According to a 2023 SESRI survey, 99.6% of Qataris consider themselves to be socially conservative. There is no consolidated group of reformers outside the ruling system, and given the high standard of living enjoyed by most Qataris, it is unlikely that public pressure for democratization will increase. This situation has become even more pronounced since the emir gained popularity following his handling of the GCC blockade. The blockade also fostered a greater sense of “citizenship” among many Qataris, as well as a growing popular feeling that it might be crucial for Qatar to take its fate into its own hands. The broad agreement on the abolishment of the Shura Council elections – as shown by the referendum results – is a manifestation of popular trust in the government, and has further deprioritized electoral processes and the accountability associated with them. Qataris remain invested in their politics; however, participation in majalis is regarded as a democratic practice that is sufficient and more suitable for the emirate.

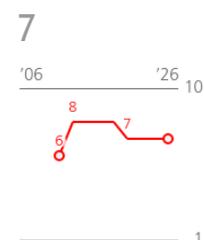
Surrounded by countries with massive sectarian cleavages, Qatar has managed to consolidate its citizens into a single group regardless of their religious orientation. The process of nurturing a cohesive national identity has been catalyzed by external pressure brought on by the Gulf crisis and the international criticism leveled at the country before and during the 2022 World Cup. Shi’a Muslims, who face persecution in Saudi Arabia and Bahrain, are well integrated into Qatar’s society. They include prominent businessmen and are avid supporters of the current ruling family. Social or cleavage-based conflicts are thus largely absent in Qatar. The conflict ignited by the Shura elections unearthed latent tensions regarding different classes of citizenship, but it was not allowed to polarize society. The abolition of future Shura elections, coupled with the simultaneous removal from the constitution of categorical differences between “naturalized” and “original” citizens – while a step away from electoral democracy – proved to be an effective solution, with more than 90% of the voters agreeing with the changes, at least for the time being.

The primary concern, however, remains the poor treatment of low- and semiskilled migrant workers, an issue that has been repeatedly highlighted by human rights organizations and labor unions. Because migrant workers are not seen as a regular part of the body politic, the issue is not considered a societal cleavage, and there are few incentives apart from international pressure to improve workers’ conditions. Nonetheless, there has been some progress in this area in recent years.

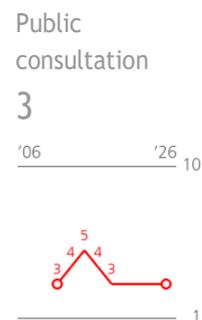
Anti-democratic actors



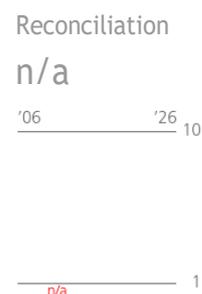
Cleavage / conflict management



Within the authoritarian monarchy, civil society holds little importance. Because of growing international pressure, Qatar seeks to be seen as relaxing – and indeed has promised to relax – its restrictions on civil society organizations. However, there is no official encouragement of civil society activities. Regular studies instead show a lack of cooperation between CSOs and government institutions.

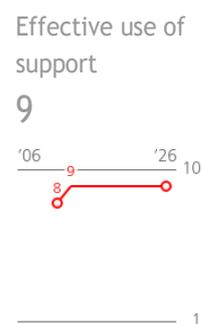


As punishment for their presumed involvement in a 1996 coup attempt, more than 5,000 members of the Al Murrah tribe were temporarily stripped of their Qatari citizenship in 2005. Citizenship was restored to all but 200, including members of the al-Ghufran clan who remain stateless today. This means they are excluded from the local labor market and are ineligible for Qatar’s comprehensive social services. The government has not yet proposed any reconciliation options to them. Twenty-one members of the Al Murrah tribe who had been in prison since the coup attempt were pardoned in 2010 and flown to Saudi Arabia. The issue resurfaced during the conflict with Saudi Arabia and the UAE in 2017, when Qatar stripped 55 of the tribe’s members of citizenship following their alliance with Saudi Arabia and a tribal leader’s criticism of the government. While the conflict eased, tensions re-erupted after passage of a restrictive election law in the lead-up to the Shura elections in October 2021, which left thousands of “nationalized” citizens (many of them Al Murrah tribe members) unable to vote or run for office. This ultimately triggered protests in August – September 2021. Four protesters were sentenced to prison, with two, both members of that tribe, receiving life sentences. Khalifa bin Hamad Al Thani, the emir’s brother, has visited the tribe to alleviate tensions, and the government conducted a constitutional referendum that – while abolishing Shura elections – also removed some key differences between naturalized and original citizens, enabling naturalized citizens to be appointed to the Shura Council, for example. Otherwise, no major historical injustices have occurred in Qatar’s modern history.



17 | International Cooperation

Qatar has sought international assistance to develop the nation and prepare for a post-oil era. Several top international universities have been invited to open campuses in Education City, and schools and health care services have been revamped with international expertise (although the results have at times drawn sharp criticism from independent scholars and observers). Moreover, multibillion-dollar infrastructure projects in the country – including the ambitious Doha Metro, which launched in 2019; tram lines connecting Education City that also transported football fans to their destinations in 2022; and a railway system planned for 2030 to connect Qatar to other GCC countries – have been awarded through international tenders, bringing high-profile international companies to the country.



While the country actively seeks technical and financial cooperation, it is wary of influence perceived as imposed from outside, especially in the political realm (such as pressure for labor and human rights reforms, or from countries that participated in the blockade). However, it has successfully leveraged ad hoc alliances on common issues. In response to the blockade, Qatar drew on international assistance, especially from Iran and Türkiye. This support jump-started the development of a domestic dairy industry and helped swiftly replace goods formerly imported through Saudi Arabia and the United Arab Emirates. Following the rapprochement with its GCC neighbors, relations with these nations have intensified again, and trade barriers have been lifted. However, Qatar continues to emphasize its independence through its policies, as seen in the Gaza war, where, despite being a mediator, it has a stronger anti-Israel stance than some neighbors.

The country's credibility in the economic and financial realms is strong, according to international rating agencies. International organizations, including the IMF, consider Qatar's economy to be resilient. Qatar's political credibility, both with respect to foreign and domestic politics, has suffered for three main reasons:

- a) Its alleged support for the Muslim Brotherhood in various Arab Spring countries, along with accusations amplified during the Gulf crisis that the country has “financed terrorism”;
- b) Concerns about corruption associated with the country's successful 2022 FIFA World Cup bid; and
- c) The way it has seemed to drag its feet with regard to human rights and labor rights reforms.

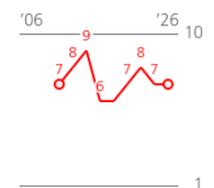
Yet Qatar largely maintained a moderate course during the blockade, frequently calling for reconciliation in contrast to the blockading countries' hard-line stance. It has also complied with international and regional agreements, earning a reputation as a reliable and resilient partner. The boycotting states normalized relations with Qatar in January 2021 without Qatar making any apparent concessions to the 13 demands that the other states had made since 2017.

Domestic reforms, on the other hand, have occurred only partially and slowly. The value-added tax, which is already in effect in all GCC states except Kuwait, has yet to be introduced in Qatar, although this is planned for 2025. The long-awaited elections to the Shura Council finally took place in October 2021, but following unrest over unequal rights among different strata of citizenship, the elections were abolished by referendum in November 2024, and the Shura Council returned to its fully appointed state.

Strong international criticism of Qatar's human rights record relating to the treatment of its foreign workers, fueled by media attention following the award of the 2022 World Cup, has produced slow but significant progress. The kafala system has been

Credibility

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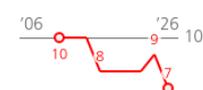
largely dismantled, and substantive reforms have been implemented. Even international watchdogs such as Human Rights Watch and the ILO have acknowledged the significance of the reforms, and Qatar has been praised for its efforts in the U.N. Human Rights Council (UNHRC). However, human rights organizations complain that de facto and de jure limitations persist, and there are troubling signs of backsliding (for example, the de facto reintroduction of the exit permit via a requirement that foreign workers obtain employer approval to leave the country, decided by the Shura Council in June 2024) that may lead to a wider rollback.

In the realm of international relations, Qatar is more relevant and appreciated than ever as an important mediator because of its strong relations with a diverse set of actors.

A founding member of the GCC and a member of numerous international organizations, Qatar remains an important partner in the Gulf region, although the disruptive effects of the now-resolved Gulf crisis linger. Qatar has maintained amicable relations with most of its neighbors for the better part of its existence, although political tensions have also frequently arisen, especially with Saudi Arabia and Bahrain. Before the Arab Spring, Qatar sought to resolve international disputes by hosting conferences and mediating conflicts in Sudan, Lebanon, Afghanistan and Yemen, and it has since – against all odds – successfully regained this role, becoming an invaluable mediator in Afghanistan, Syria and Lebanon and between Hamas and Israel. Qatar has tried to keep or establish good relations with all countries and political groups. With the rapprochement following the GCC rift, Qatar’s former “weaknesses” have become strengths. These include its strong relations with states subject to Western sanctions and even militant groups, including Iran, Taliban-led Afghanistan, Hamas, Hezbollah and Hai’at Tahrir ash-Sham (HTS) in Syria, as well as its strong ties with most Western states, especially the United States. This creates an array of alliances that no other state can bring to the negotiating table. Moreover, the country has the financial leverage to support enforcement. Nevertheless, Qatar has not yet regained its previous reputation for neutrality and even-handedness, because of its perceived bias toward Islamist groups; the highly partisan and in some cases increasingly polemical Al-Jazeera coverage of the conflicts in Syria, the GCC and Gaza has also contributed to this effect. Relations between Qatar and some Western states have been soured by allegations of bias and intervention in other countries’ domestic affairs, even extending to financing of Hamas and other actors designated by the United States and many Western countries as terrorists, combined with greater international scrutiny of deplorable labor conditions in Qatar and corruption claims surrounding Qatar’s World Cup bid. While Qatar has yielded to external pressure on some reform fronts, local sentiment deeming this pressure to be excessive and hypocritical has grown, given that many Western countries have their own human rights problems, as well as the fact that some of Qatar’s neighbors, such as the UAE, have done much less with regard to labor rights reforms and have not faced the same level of criticism.

Regional cooperation

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For some time, the international community wielded considerable leverage over Qatar, as it had the power to withdraw Qatar's right to host the World Cup. With this now lost, Qatar can once again act more independently than it has since the blockade. In fact, its international influence has risen. It has played an irreplaceable role as a mediator in Lebanon, Gaza and Syria. The new transitional president of rebel-overtaken Syria, Ahmad al-Sharaa (formerly known as Muhammad al-Jolani of HTS), has promised Qatar "special preference." The country's importance has been further emphasized by its admission to the U.S. Visa Waiver Program, making it the only Arab country on the list. Europe also needs the country more than ever in order to satisfy its energy needs now that it has largely turned its back on Russian gas. The expansion of the North Field will further increase Qatar's global leadership with regard to the supply of LNG. These factors have collectively led to a less accommodating and more uncompromising stance. In a December 2024 interview, Energy Minister Saad Sherida al-Kaabi warned Europe not to apply its newly drafted due diligence law, which seeks to penalize human rights and environmental sustainability offenders, threatening that Qatar would otherwise stop supplying Europe with gas.

Strategic Outlook

In the past decade, Qatar has successfully navigated numerous challenges, including the potential contagion of the Arab Spring uprisings of 2011, the global oil price collapse, a blockade imposed by its closest neighbors, the COVID-19 pandemic, and the heightened attention and scrutiny preceding the 2022 FIFA World Cup. Its success can be attributed not only to the country's considerable resource wealth, but also to the leadership's strategic approach to turning challenges into opportunities.

For instance, the blockade by neighboring GCC countries catalyzed diversification and enhanced the sustainability of Qatar's economy. Although some progress toward sustainability – both economic and environmental – was set back by necessary reprioritization during the pandemic and by less crucial but grandiose World Cup-related projects, there are now fewer distractions. This has allowed Qatar's leadership to focus on critical issues such as education and the environment while continuing economic reforms aimed at diversifying trade and revenue sources.

However, intra-GCC relations remain fragile, even though the major rifts have been healed. It is vital to continue fostering reconciliation and to avoid deepening the rift again, for example, by pitting the countries against one another over their stances on the Gaza war and their relations with Hamas and Israel, or by playing favorites – as in the U.S. decision in September 2024 to waive visa requirements for Qatar, the only Arab state to receive this status.

The surge in the emir's popularity has provided the political capital needed to implement challenging structural reforms, such as ending fuel subsidies and expanding migrant workers' rights. However, waning international attention and leverage mean the pace of reform has slowed, and might even shift into reverse gear – the first signs of which are already evident. This is the case for labor and migrants' rights reforms, and possibly also for the halted parliamentarization due to the abolition of Shura Council elections.

The 2021 Shura elections highlighted the challenges of maintaining different “tiers” of citizenship and granting varying rights, which can lead to social tensions. That lesson, learned in the constitutional referendum, should be applied to Qatari society as a whole. As Qatar's oil and gas revenues decline, a highly educated, homegrown workforce that identifies with the country's well-being will be crucial for maintaining its high standard of living. Given the small population base, an inclusive integration policy involving foreign workers is an economic imperative. However, any rapid move toward integration must address legitimate political and security concerns, given the significant demographic imbalance that leaves many citizens feeling like a vulnerable minority in their own state. While excessive external pressure led to resistance to reform, the current near-absence of pressure may also be problematic. International actors should therefore periodically assess the human rights situation of migrant workers in Qatar without singling it out as the one “problem Gulf state,” which only fuels national narratives of victimization, injustice and hypocrisy.

While the development of a Qatari national identity has engaged the population in the country's future, it has not yet translated into demands for increased citizen participation in politics or a more active civil society. There is currently no discernible trend toward meaningful democratization. To foster political development, Western partners should support any steps Qatar takes toward democratization while being mindful of the pressure they exert on Qatar to reform. Qatar's social contract still predominantly revolves around government-provided welfare and a high standard of living in exchange for political acquiescence to the rule of the Al Thani family. Striking a delicate balance between pressure for reform and maintaining constructive partnerships has been largely successful. It is necessary to be mindful that a significant part of the leverage over Qatar has disappeared with the World Cup and the rising need for LNG, and Qatar's reaction to the European Union due diligence law has shown that disregarding this shifted balance is unwise. One source of leverage that might remain is Qatar's interest in retaining its hard-won role as an international mediator. The country has shown its importance in negotiations involving the Taliban, Hamas and Israel, Hezbollah, the new Syrian government, and even prisoner swap negotiations between the United States and Iran. This role is therefore important to Western actors. However, this also makes Qatar intent on retaining this reputation so as to keep Western actors in particular from seeking others to fill this role. This possibly renders it more amenable to international pressure.

To retain credibility, Qatar should aim to avoid controversies such as the bribery scandals associated with the World Cup, "Qatargate" and Raytheon, and transparently identify any public figures implicated in them, even if (or especially if) they are members of the royal family.