Qatar at a glance

Economic Stability &Standard of Living in Qatar

Economic Development

Social Development

Qatar National Vision 2030

Map Of Qatar

Economic Development

Qatar has the third largest gas reserves in the world, following Russia and Iran, with an estimated 872 trillion cubic feet – the equivalent of 188 billion barrels of oil. At the current production rate, it is estimated these reserves will last for approximately 156 years.

Since the 1990's, Qatar has invested extensively in the liquefied natural gas (LNG) industry and has, since 2006, been the world's largest producer of LNG. The gas liquefying industry has also produced large quantities of profitable by-products.

Following the successful development of the country's natural gas resources, the government of Qatar has embarked on an extensive investment program to boost the economic diversity ahead of the 2022 FIFA World Cup in Qatar. The program includes investing oil and gas revenues into major infrastructure projects, industrial manufacturing and to strengthen and develop financial and government services. The diversification program also includes the transportation services and the tourism sectors. The investment aims to diversify national revenue sources, rebalancing Qatar's economy to focus on knowledge sectors, in line with Qatar's National Vision 2030.

Qatar's extensive investment in non-hydrocarbon sectors has resulted in a significant increase in the sectors' growth rate. Non-hydrocarbon sectors have become a main driver for gross domestic product (GDP) growth in 2013. At a rate of 18.5%, the fastest growing segments were governmental, family and social services followed by financial and real estate services (14.3%), construction (13.6%) and trade and hospitality services (12.8%).

Economic development outside the oil and gas sector was much higher than economic development of the hydrocarbon sector, which did not exceed 0.1%. The non-hydrocarbon sector's share of GDP increased from 43.2% in 2012 to 45.6% in 2013, while the hydrocarbon share of GDP decreased from 56.8% to 54.4% in the same time period. This has resulted in sustained overall real GDP growth, reaching 6.1% in 2012 and 6.5% in 2013. As a result of such strong growth, GDP surpassed $200 billion - reaching $202.5 billion. The national investments contributed significantly to the growth of the non-hydrocarbon sector which has expanded at rates of 10.1% (2012) and 11.4% (2013). The national budget, balance of trade and the balance of foreign payments current account have all recorded huge surpluses. The national budget surplus in FY13-FY14 was estimated to be 12.6% of GDP - the result of a sharp increase in the investment income.

The balance of trade surplus reached 52.1% of GDP and that of the current account reached 30.9%. The savings rate has reached 58.4% of the GDP, which is one of the highest in the world, with Kuwait (55%) and China (50%) following Qatar. It should be noted that the investment ratio of GDP has seen a significant increase, reaching 26.8% in 2013 and about 28.2% in Q1 of 2014.

Inflation has recorded a slight increase from 2% (2012) to 3.1% (2013). This increase is mainly attributable to increases in residential rents, facilities and other housing-related services. The economy has not witnessed any impact from external inflationary pressures mainly due to stable prices of international commodities and food products.[1]

Prior developments have contributed to Qatar's ability to maintain a high (AA) sovereign credit rating. Qatar's rapid economic growth has also nurtured the development of a qualified technical workforce. It is anticipated that after 2022, Qatar will sustain a new phase of economic development focused on knowledge sectors and developing international expertise and talent, in line with the Qatar National Vision 2030.

Fast yet balanced economic growth and prudent government policies have helped Qatar become one of the richest countries in the world with per capita income reaching more than QAR 369,000 (US$102,000) in 2013.

An increase in individual income in any country is often a strong indicator of the country's economic power, highlighting the average standard of living. This indicator is strongly correlated to other factors measuring the level of economic, social and environmental welfare among the population.

For example, in countries where people enjoy a good standard of health and a comfortable average income, the average age tends to increase. This principle also applies to education (people with higher education levels tend to be more successful), access to clean water, and reduced rates of infant mortality.

The growth of the average per capita income in Qatar has resulted in a significant improvement in the standard of living. Issued by the United Nations Development Programme, the International Human Development Report 2014 showed that the State of Qatar has achieved significant improvement across many key human development indicators. For instance, Qatar's score in the Human Development Index has jumped from 0.875 (2013) to 0.910 (2014). This indicator reflects achievements and improvements in the education and health sectors. In the education sector, the report showed a reduction in the illiteracy rate to just 6.9%, with an increase in the rate of school enrollment to 80.4% (previously 77.7%). In the health sector, average life expectancy increased from 75 years (2013) to 75.5 years (2014).