

Exporting Agri-Food Products to Qatar

A Guide for Lebanese Businesses

AGRI-FOOD TRENDS AND MARKET OPPORTUNITIES

Qatar is one of the wealthiest and most urbanised countries in the world, with a population growing at a Compound Annual Growth Rate (CAGR) of 8% – one of the highest rates in the GCC region (Source: GCC Food Industry, Alpen Capital, 2019). It has increased from about 592,000 in 2000 to more than 2.8 million people in 2019 (Source: World Bank Data, 2020). The country offers a relatively high standard of living with one of the highest GDP per capita in the world – estimated at USD 62,000 in 2019 (Source: Income and Expenditure: Qatar, Euromonitor, 2020). Furthermore, the country boasts one of the lowest unemployment rates globally. The preparation of the 2022 FIFA World Cup and the launch of the Qatar National Vision 2030 have driven a large inflow of expatriates to the country, which today account for around 85% of the overall population. The growing high-income and middle-income expat population along with the growing affluent Qatari population have been the main drivers behind the recent growth of the food sector in Qatar (Source: GCC Food Industry, Alpen Capital, 2019).

In particular, packaged food has gained popularity in the wake of the COVID-19 pandemic (Source: Packaged Food in Qatar, Euromonitor, 2021). Similarly, the demand for healthy and organic foods has been continuously rising due to the growing spread of health consciousness among its people. In Qatar, the local production of processed products remains limited due to difficult environmental conditions that hinder the cultivation of various crops. As a result, Qatar has heavily relied on food imports to address the growing demand for processed food products (Source: GCC Food Industry, Alpen Capital, 2019).

Products with high growth potential

Baked Foods:

The local bakery product market has been sustaining growth in sales over the 2015-2019 period and is projected [to grow at a CAGR of 5.2% during the 2020-2025](#) period driven by overall domestic demand. The Qatari bakery product market is segmented by type into cakes and pastries, biscuits and cookies, bread, morning goods, and other types, with bread having the biggest share of this market. Moreover, the accessibility and nutritional profile associated with the bakery products are a few major factors responsible for their sustenance in the modern market.

Ready to Eat Foods:

The ready-to-eat market size is also estimated to witness significant growth, with a market estimated at USD 3.74 Million in 2020 and expected to reach USD 3.86 Million in 2021. It is also expected [to grow at a CAGR of 3.74% to reach USD 4.66 Million by 2026](#), driven by increasing domestic demand for ready-to-eat food.

What does Qatar import? And from where?

In 2020, Qatar imported USD 1.3 billion worth of agri-food products (Source: ITC Trade Map, 2020).

The top imported agri-food products in 2020 based on ITC data include:

- **Dairy products** – accounting 24% of total imported food products. These products are mostly imported from the Netherlands (19%), Turkey (11%), and Denmark (10%).
- **Preparations of cereals** – accounting 16% of total imported food products. These goods are imported mostly from United Kingdom (11%), Oman (9%), and the Netherlands (7%). Imports of preparation of cereals stood at USD 203,725 million, with bread, pastry cakes and biscuits accounting for the majority of imports in this category (54%).
- **Miscellaneous edible preparations** – accounting 14% of total imported food products. These goods are imported mostly from the United States (50%), Oman (10%) and France (4%). Imports of miscellaneous edible preparations stood at USD 183,993 million, with bread, pastry cakes and biscuits accounting for the majority of imports in this category (54%).

Qatar- Lebanon Trade

Lebanon's agri-food exports to Qatar have been growing at a Compound Annual Growth Rate (CAGR) of 7.24% over the 2012-2019 period (Source: Lebanese Customs, 2020). Qatar constitutes the third-largest market destination for Lebanese agri-food exports (Source: Lebanese Customs, 2020).

Based on the Lebanese Customs, the top exported food products to Qatar in 2020 include:

- Prepared vegetables, fruits, and nuts "mouneh" products (44%).
- Beverages, spirits and vinegar (16%).
- Miscellaneous edible preparations (10%).
- Preparations of meat and fish (9%).
- Preparations of cereal, flour, starch or milk (7%).

Based on ITC data, Lebanon's greatest export potential to the Qatari market lies in the following food categories:

- Nuts and seeds.
- Waters and non-alcoholic beverages.
- Bakery products.
- Chocolate and cocoa confectionery.

MARKET ENTRY AND DISTRIBUTION CHANNELS

Having a local representative is the most successful method out of several ways of entering the Qatari market. Foreign companies cannot sell and market their products directly to Qatar's consumers. They first must register as an entity in Qatar and obtain local representation through domestic commercial agents. Agents or importers are then [in charge of distributing](#) the produce to the markets.

Main Supermarket Chains

In Qatar, retail food sales are usually concentrated in supermarkets, which have been increasing over the last few years.

The main players in food distribution are Al Meera, the largest domestically owned retail chain, Carrefour, LuLu, Family Food Centre, Mega Mart and Monoprix. These retailers all serve as “one-stop shops”, offering a large variety of products to meet the evolving needs and preferences of consumers (Source: Agri-Food Markets in Qatar: Drivers, Trends, and Policy Responses, Multidisciplinary Digital Publishing Institute, 2020).

E-commerce Trends

In line with global trends, Qatar’s online retail market has been booming, with the e-commerce penetration rate reaching 37% in 2019, compared to 15% in the previous year, driven by increasing internet connectivity and penetration and know-how of internet technologies. Tech-savvy generations with high disposable incomes represent a promising and sizable market group in the food e-commerce sector and cloud kitchen models (Source: E-commerce Market Witnessing a Boom in Qatar Amid COVID-19, The Peninsula Qatar, 2020). Instashop and Talabat are two of the most successful food and grocery delivery applications in Qatar. These bring together a large pool of grocery shops and restaurants for the convenience of consumers. Grocery delivery services are flourishing in Qatar, with [many of these stores offering their food products online](#), such as Baqaala, Carrefour, LuLu, QFresh, Getit, Farmer’s Market and Suncart.

Practical Tips to find Buyers

- Attend high-profile trade events taking place in Qatar (such as [HQ Food Qatar](#), and [Agriteq Events](#) in 2022). These events provide opportunities to meet distributors, influencers, and buyers from the region and beyond.
- Network and meet potential partners and buyers through the Lebanese Business Council in Qatar or the Lebanese Embassy in Qatar.
- Contact the [Qatar Chamber of Commerce](#) to list your services and find new buyers.
- Take advantage of Ramadan season or any other major event such as Qatar FIFA event to introduce your brand to the market.
- Plan your market entry between September and April. Summer season is hot, meaning many expats are outside the country including managers and important decision makers.
- Consider introducing your brand in popular farmers’ markets such as the [farmer market in the Education City](#).
- Engage with [social media influencers](#) to build your brand profile in Qatar, and specifically with [food bloggers](#).
- Consider first selling online by listing your products on these popular e-commerce platforms in Qatar: [Talabat](#), [MZADQatar](#), [QatarDesertCart](#).

- The COVID-19 crisis has forced most importers to look for suppliers in close geographical proximity in order not to disrupt the supply chain. Take advantage of this to pitch for your company and its comparative advantage.
- Create a profile on [ITC Trade Map](#) and find list of buyers by specific products and sectors in specific countries. This service is available for free for users from Lebanon.
- Contact existing importers and distributors of Lebanese food brands to introduce them to your products and discuss potential collaboration opportunities. Such companies include: [Mounet Beyt Jedee](#).
- Try to find Lebanese executives in leading food importing and distribution companies in Qatar and contact them to pitch your company's profile and products. LinkedIn would be a good start to find such executives.

Insights from Friendly Food Qatar: a major distributor of Lebanese food brands in Qatar

[Friendly Food Qatar \(FFQ\)](#) sells food products to large supermarket chains and retailers as well as hotels and restaurants in Qatar. The company is always looking for new food brands, offering unique products that are not widely available in Qatar.

Besides examining the history of and the story behind the food brand, FFQ mainly focuses on the consistency and reliability of the supplying company. In general, FFQ prefers to deal with established and reliable brands that have consistent production. Furthermore, these brands must supply the ordered quantities agreed upon all year long at fixed prices and with minimal disruption. Contrarily, if the supplier defaults on the demanded quantities/SKUs or changes the packaging or pricing of a product and, as a result, its barcode, the distributor in Qatar will have to incur excessively high additional costs to re-list the products in major supermarket chains. Additionally, price rises pose difficulties in seeking approval as they are extensively scrutinised by the Consumer Protection Department under the Ministry of Commerce and Industry.

FFQ buys the products from Lebanese agri-food companies and promotes them in the Qatari market for easier market penetration. Nowadays, due to Lebanon's financial crisis, the company is supporting some Lebanese businesses and providing them with advanced cash facilities to help them source the imported raw material needed for production.

FFQ also supports Lebanese businesses in understanding the quality and labelling regulations in Qatar. It also offers guidance on steps to meet those requirements

Currently, food products of animal origin are very strictly regulated in Qatar, making it very hard, if not impossible, to export dairy and other products of animal origin to the country. Therefore, opportunities left for Lebanese agri-food manufacturers to tap into the Qatari market lie in (1) products of plant origin with long shelf-life and high-quality ingredients and (2) organic fresh fruits and vegetables with attractive packaging.

LEGAL REQUIREMENTS AND STANDARDS

As Qatar imports about 90% of its food needs, strict food safety regulations have been the cornerstone of government policy.

The [Food Safety Department](#), under the [Ministry of Public Health](#), is responsible for implementing health standards across all areas related to food safety. The Department is responsible for carrying out food control and inspections. It manages food safety in collaboration with the Ports Health and Food Control Section, the [Central Food Laboratories Section](#), and the [Environmental Health Section](#). The [Ports Health and Food Control Section](#) specifically monitors and inspects imported and exported food through the border ports, under Law No. 8 of 1990 and its amendments on food control. In fact, the Food Safety Department offers, through the Ports Health and Food Control Section, the registration service for all importing and exporting food companies.

The Department allows electronic registration of these importers and exporters through the food registration system. If the application gets approved, a registration notice is issued that enables companies to register their goods. Subsequently, [they will also receive electronic services that are currently being developed](#). To ensure food and consumer safety, all food products brought into Qatar are mandatorily and rigorously assessed (Source: How do I register food products with the Ministry of Public Health?, Venture Partner Qatar, 2020).

Companies importing foreign food products into Qatar must be established as LLC and registered with the [Ministry of Commerce and Industry](#) (MOCI) as food traders (Source: How do I register food products with the Ministry of Public Health? Venture Partner Qatar, 2020).

Import licenses are available only for Qatari nationals and Qatari partners in a limited liability partnership that is registered with MOCI (Source: How do I register food products with the Ministry of Public Health? Venture Partner Qatar, 2020). Based on Qatar's strict instructions regarding food safety, all food imports must reflect compliance with international standards and GCC regulations. These should be [presented with the appropriate documentation and certification](#), with authentic health certificates from the responsible authority in their country of origin (which is the [Ministry of Agriculture](#) in the case of Lebanon).

Import Documentation

When you are exporting agri-food products to Qatar, you need the following documents for custom clearance:

- [Certificate of Origin](#) issued by the Chamber of Commerce and legalized by the Ministry of Foreign Affairs and the Qatari Embassy in Lebanon.
- [Original commercial invoice](#) (in triplicate) attested by the Chamber of Commerce, and which must state the country of origin, name of the carrier, brand and quantity of goods, and description of the goods including weight and value.
- A [bill of lading](#) or airway bill.
- Pre-approval from Ministry of Economy and Trade for certain products that were subject to government subsidies.
- Insurance documents, if shipments are sent CIF.
- [Halal certificate](#) for meat-based products.
- Packing list.
- [Health certificate](#) issued by the Ministry of Agriculture.
- [Phytosanitary certificate](#) for plant-based products such as fresh fruits and vegetables issued by Ministry of Agriculture.
- [Certificate of Free Sale](#) for novel food issued by the Ministry of Agriculture.

Labelling Requirements

Food labels must include the following :

- Product and brand names.

- Production and expiry dates.
- Country of origin.
- Name and address of the manufacturer.
- Net weight in metric units.
- A list of the ingredients in descending order of importance.
- All fats and oils used as ingredients must be specifically identified on the label.
- Labels must be in Arabic only or in Arabic/English.

FREE TRADE AGREEMENTS AND RULES OF ORIGIN

Lebanon enjoys favorable export terms with Qatar, through the Greater Arab Free Trade Area (GAFTA) agreement, by which Lebanese agriculture and industrial products including agri-food products enter the country customs duty-free, hence boosting their competitiveness in the Qatari market. However, it is important to learn about the rules of origin, as not all goods produced in Lebanon benefit from the agreement. To become qualified, products must be fully produced in Lebanon with 100% of raw material from Lebanon, or at least 40% of the value added of the product must be locally sourced. For more information, it is best to contact the Ministry of Economy and Trade.

In order to benefit from the custom exemptions under the GAFTA agreement, the exporter needs to submit a certificate of origin that is issued by the Chamber of Commerce, Industry and Agriculture in Lebanon and authenticated by the Ministry of Foreign Affairs as well as the Ministry of Agriculture and Ministry of Industry. You can check the [export guide](#) developed by the Ministry of Economy and Trade to understand the paperwork needed to issue the certificate.

TRANSPORT AND LOGISTICS INFRASTRUCTURE

Exporting to Qatar is easy as the country has one of the most advanced transportation and logistics infrastructures in the world.

Air Transportation

The Hamad International airport is considered one of the best airports in the world, facilitating direct access to the city centre through via linkages to Doha Metro. The airport has a large free zone at Ras Bufontas. [Qatar Airways is one of the world's largest cargo operators](#) and has daily schedules for Lebanon. Hamad International airport hosts over 360,000 flights and welcomes more than 30 million passengers yearly. Additionally, it stores more 2 million tons of cargo, shipping to 54 different destinations worldwide, and offers the fastest airline cargo worldwide (Source: Discover Qatar Free Zones, Qatar Free Zones Authority, 2020).

Sea Transportation

[The Hamad Port is the largest in Qatar](#), replacing the old Doha Port. It is the latest and largest greenfield deep seaport globally. Adjacent to the port is a new maritime cluster in Umm Alhoul free zone that facilitates sea freight and shipping routes. Furthermore, [Hamad Port connects to 40 different ports across 3 continents](#), offering more than 15 direct shipping lines. Additionally, it hosts 27% of the trade in the GCC region, with a yearly cargo capacity of 2 million TEU (Twenty-Foot Equivalent Unit).

Land Transportation

Qatar has a major land crossing with Saudi Arabia called the Salwa border crossing. For more than three years, this crossing was closed due to a diplomatic rift with Saudi Arabia. However, in 2020, the land crossing was operationalized again.

Disclaimer

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