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# QATAR

*FOOD SECTOR*

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SEPTEMBER 2022

 KNIGHTSBRIDGE PARTNERS





1

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# EXECUTIVE SUMMARY

## VISION

- Producing value add products and services across Latin America has become an **expensive and inefficient proposition**
- High labor costs, high taxes, and high costs of doing business (financing, transportation and energy)
- Limits the ability for companies to succeed
- Qatar offers a more competitive and profitable environment

## QATAR: A GLOBAL HUB

- Qatar is an **attractive** global hub. Sustainable economic growth, political stability, security, and excellent geographical location
- QATAR has recently invested **\$200 billion dollars** in infrastructure and transportation. Qatar Airways is one of the largest air cargo companies in the world and a new Free Trade Zone Authority (QFZ) has been created to support the establishment of new industry clusters
- Excellent legal framework, **20 Year Tax Holiday and Zero Corporate Tax**

## PARTNERSHIP

- Knightsbridge Partners has a deep understanding on how to do business in Qatar
- Our focus is to form Joint Ventures between Latin American companies and Qatari partners, not only to produce products and services for the Qatari market but more importantly to export from Qatar to the world
- **Key Sectors:** Pharmaceutical, Technology and Value Added Food production

## BOTTOM LINE

- Think Outside of the Box
- Expand your company to Qatar and become a true global player
- Partner with one of the most powerful families in the world
- Make your company more efficient and profitable by saving millions in labour, production, taxes and transportations costs

## ADVISOR

- **Knightsbridge Partners**, acts as an exclusive Advisor with unparalleled know-how, track record and relationships in the Middle East.
- We offer your company to partner with key players in Qatar through a **by invitation only** program





# 2

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## WHY QATAR?

1. Economic Power House
2. World-Class Infrastructure
3. Robust Financial Institutions
4. Strong Global Trade Links
5. Safe and Business Friendly

Population	2.7 million
GDP	<b>USD192 billion</b> Growing at 2.4%
GDP per capita	<b>USD124,529</b> Among the highest in the world
Natural gas reserves	<b>25 trillion m<sup>3</sup></b> Third largest in the world
Natural gas production	<b>178 billion m<sup>3</sup></b> One of the world's largest LNG exporters
Credit rating	<b>Aa3 (Moody's)</b> QAR pegged to USD at rate of 3.64



Natural wonders: The Arabian Sea



Souq Waqif: A traditional market



Qatar Pearl:  
A Mediterranean-style yacht marina



The Islamic Art Museum



Zubara Fort:  
A UNESCO World Heritage site



Katara Cultural Village:  
theaters, galleries & shows

# Qatar has all the attributes to help your company thrive around the world.



A Strong Economy & Investment Track Record



Technologically Advanced



A Stable Political Landscape  
& Robust Financial Institutions



A Business-Friendly Legal Environment



World-Class Infrastructure



Globally Connected



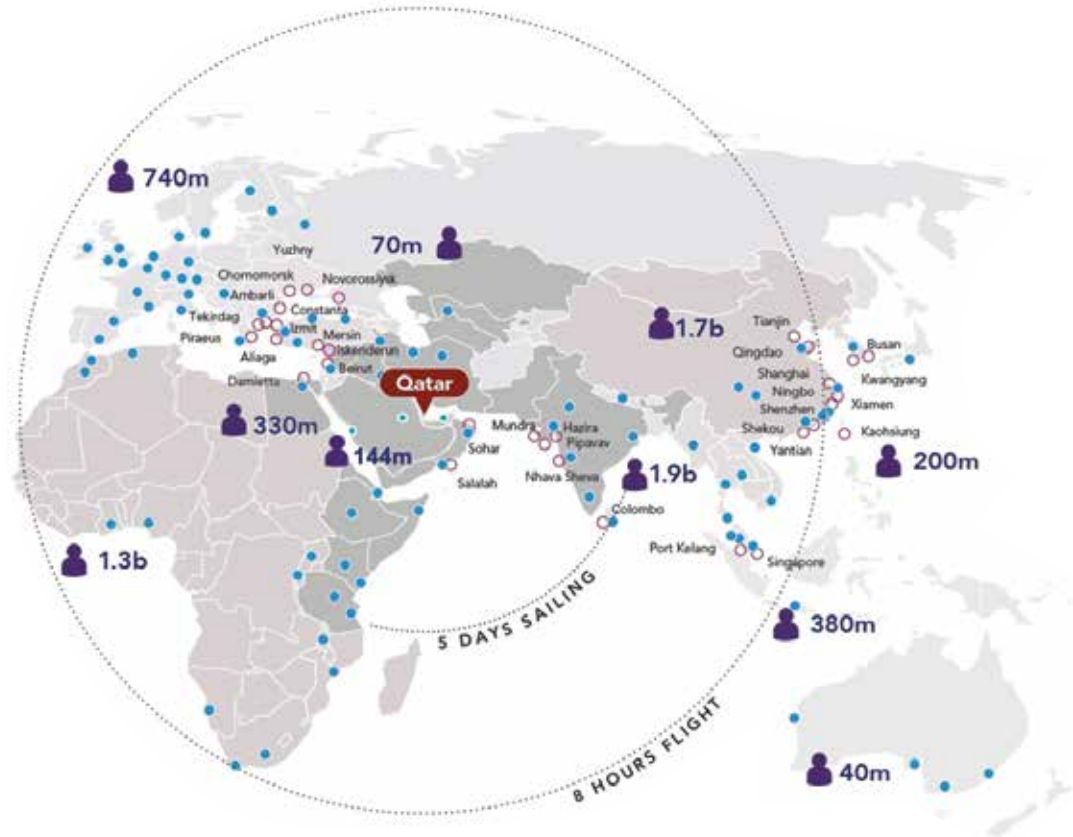
Located at the heart of the Gulf, Qatar offers easy access to a wide range of growing markets, the largest consumer market in the world.

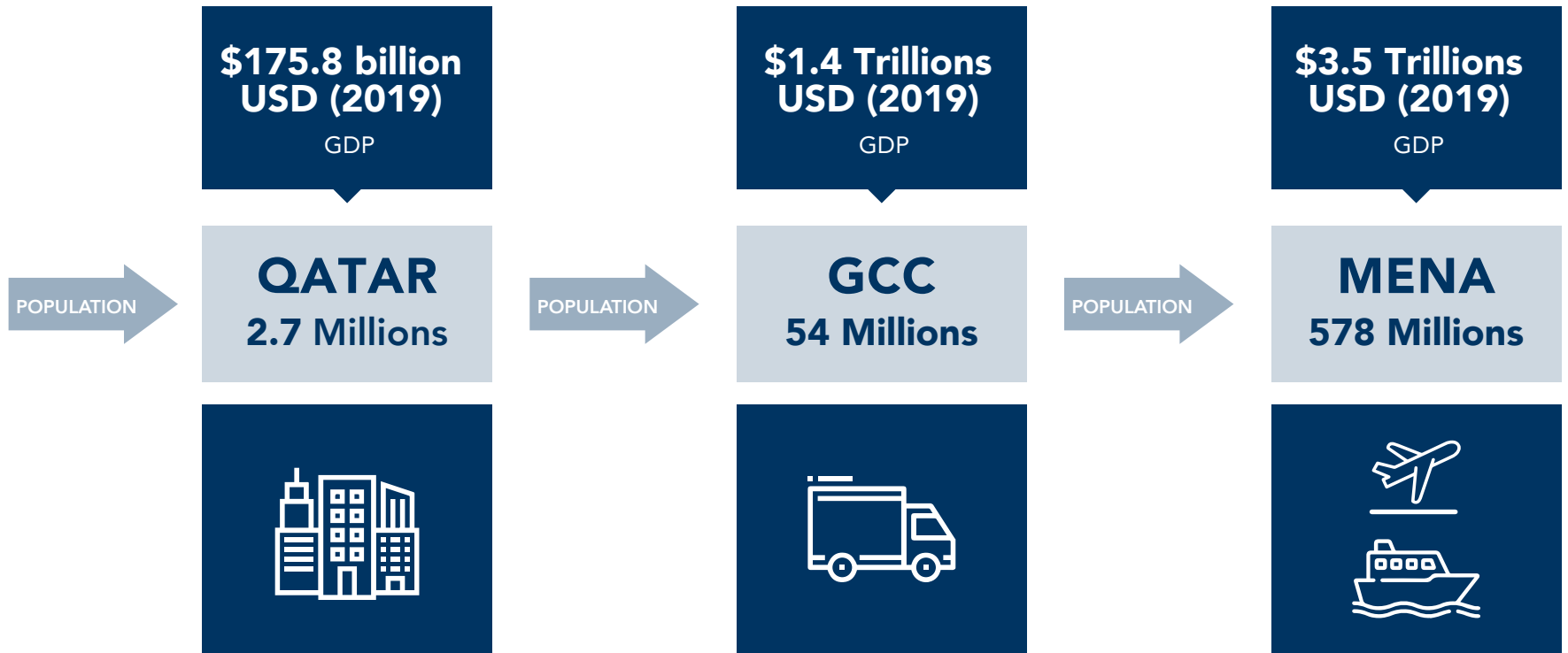
**4.6 billion**  
population

**60%**  
of the world's population within

**8 hours**  
flying time

**5 days**  
sailing time









### Investment in Infrastructure

- 14<sup>th</sup> Efficiency of Air Transport Services
- 15<sup>th</sup> Efficiency of Seaport Services

### Public Sector Performance

- 6<sup>th</sup> Burden of Government Regulations
- 8<sup>th</sup> Efficiency of legal frameworks for Settling Disputes

### A Change Alert Government

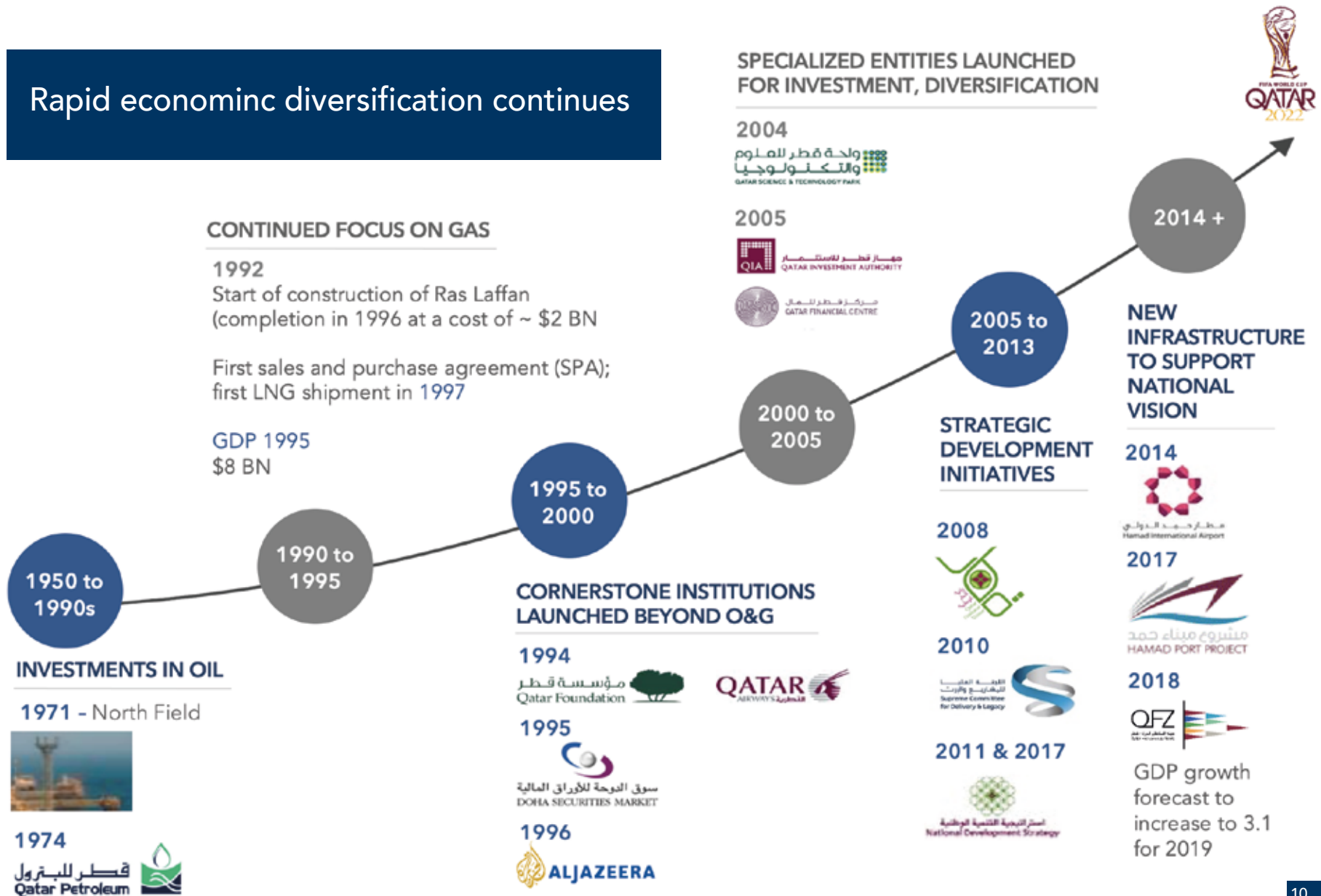
- 6<sup>th</sup> Governments responsive to Change
- 8<sup>th</sup> Governments Long term vision

### Skill Availability

- 8<sup>th</sup> Skillsets of Graduates
- 3<sup>rd</sup> Ease of Finding skill employees
- 6<sup>th</sup> Critical thinking in Teaching
- 6<sup>th</sup> Skills in future workforce
- 10<sup>th</sup> Ease of hiring foreign labour

Source: The World Economic Forum - Global Competitiveness Report 2019.

# Rapid economic diversification continues





# 3

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## KNIGHTSBRIDGE APPROACH TO SUCCESS





# Our approach expand and grow internationally



## Sector Focus

Focused on sectors where Qatar has a strong value proposition:

- **Pharmaceutical & Biotechnology**
- **Technology**
- **Value-Added Food Production**



## Long-Term Solutions

Aim to become a key driver of Qatar's growth, and to realize the benefits of that growth for the businesses who work with us.



## Partnerships

Partnership opportunities with key local business partners.

QFZ is a one-stop shop for investors, providing best-in-class investment incentives and business support



**20 years**

of tax holidays and zero customs duties on imports

**Control Foreign Ownership**

of your business, with full capital repatriation

**Access to government-backed fund**

dedicated to promote growth

**Unparalleled advantages for investors**

Dedicated customs facility and solutions

Preferential rates and reserved capacity for air and sea transportation

Prime location for bonded connectivity from airport and seaport, as well as between the two zones

Access to government investment funding to support high-growth, export-focused companies

Priority access to skilled labor pool

**World-class services**

and state of - the - art facility

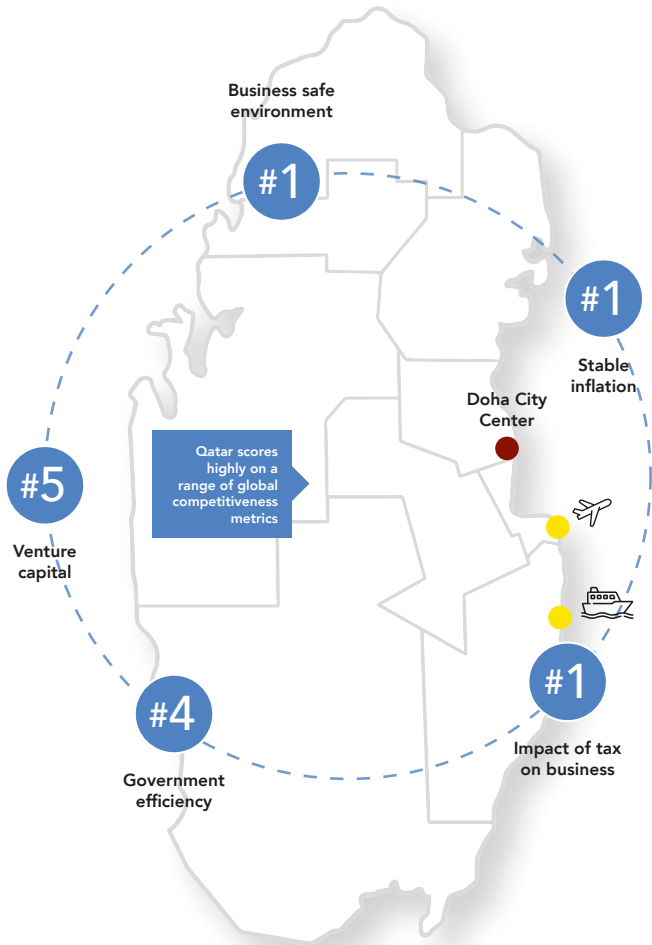
**Skilled workforce availability**

and a progressive visa regime

**Joint venture with**

with leading local partner

# QFZ oversees three free zones, all in or within 30 minutes of downtown Doha.



Airport Free Zone at Ras Bufontas

The downtown free zone in Doha is the right place to establish your company





# 4

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# FOOD SECTOR



## Drive Towards Self-sufficiency Creating Opportunities

The rate of self-sufficiency of dairy products has increased during the past two years from **27 percent to 106 percent**, while in fresh poultry it increased from **49 percent to 123 percent**.



## Food production in Numbers

Qatar's investments in the food sector have increased **126 percent to \$1.5 billion dollars** in 2019, compared to **\$600 million** in 2016.



### Case Study: The Rapid Rise of Baladna

- 2.4 million sqm farm, production and packaging facility
- Constructed in under 2 years
- Produces up to 900,000 litres per day of milk & juices
- 22,000 Milking Herd
- Packaging Facilities



Commodities      Food Processors      Value Added Foods







**\$106 BILLION**      **6.1%**      **59.2 Million Tons**

Estimated Annual Retail Food Sales in GCC      Projected CAGR in food sales      Estimated GCC Food Consumption by 2030

**\$1 Trillion**  
Middle East Food Sector

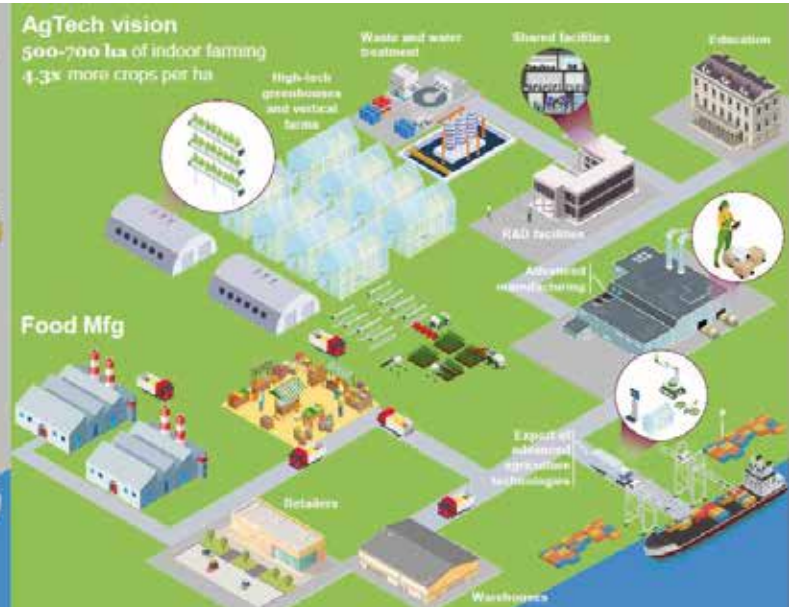
MENA Food Products market value by 2030 (World Bank Statistic).

**GCC Food Consumption Estimated (2021)**

 <b>CEREALS</b> 27.5 Million MT 2% CAGR	 <b>FRUIT</b> 7.2 Million MT 2% CAGR	 <b>MEAT</b> 3.4 Million MT 2% CAGR
 <b>DAIRY</b> 9.7 Million MT 3% CAGR	 <b>VEGETABLES</b> 6.5 Million MT 2% CAGR	 <b>OTHERS</b> 4.9 Million MT 3% CAGR



# AgTech leverages indoor farming infrastructure for manufacturing of high-tech solutions





# Within a highly business-friendly regulatory landscape



ADVANCED LICENSING REGIME



QATAR INTERNATIONAL COURT



COMPLIANCE WITH  
INTERNATIONAL BEST  
PRACTICE



HIGHEST PROTECTIONS  
RELATING TO INTELLECTUAL  
PROPERTY, PRIVACY AND DATA



TRANSPARENT AND COMPETITIVE  
OPERATING ENVIRONMENT



REGULATIONS TO SERVE FDI



## Qatar Free zone empowers investors with operational cost advantage by offering one of the lowest energy and labor costs in the world



Utilities are highly competitive, with electricity rates starting from **3.5 cents per KWH.**



This makes power in Qatar some of the cheapest in the world which is **ideal for production and processing operations.**



Skilled and **semi-skilled labour is readily available and extremely competitive.**

	Qatar	Dubai	Oman	US	EU	India
Electricity tariff (USD/KWH)	0.035	0.08	0.05	0.23	0.25	0.18
Water tariff (USD/m3)	1.5	2.2	2.4	1.4	1.9	1.25
Low Skilled Labor Cost (USD/Day)	27	22	30	79	82	5
Export Freight Cost - West to Asia (USD/KG)	0.1	-	-	1.2	0.9	-

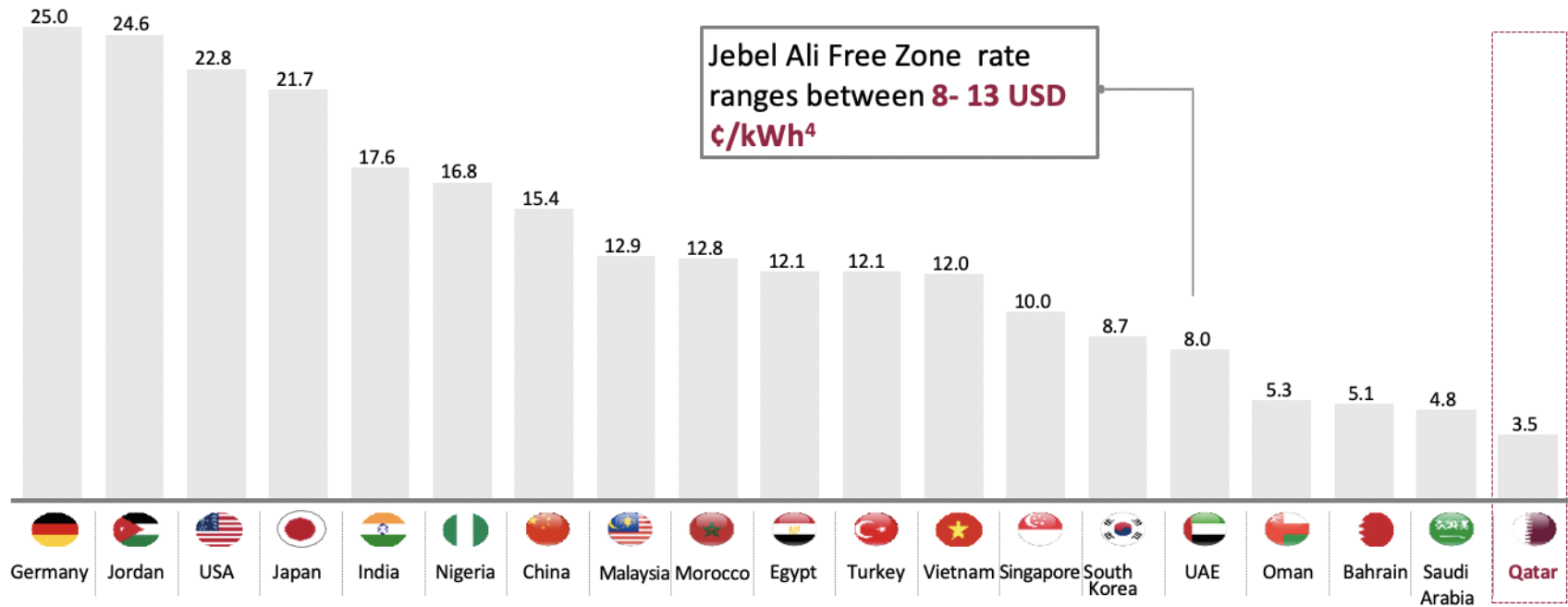
1. Doing Business uses a standardized case study centered on a commercial warehouse with a subscribed capacity and level of energy use typical of this kind of customer: the warehouse requires a capacity of 140 kilovolt-amperes (kVA) and has an hourly consumption of 112 kilowatt-hours, 2. Norway data from interviews, 3. Khaleej Times article dated Aug 23, 2017, 4. Cost of Doing Business Manufacturing, KPMG

SOURCE: FDI Intelligence from World Bank's Doing Business, Qatar data is from QFZA, Saudi Arabia rate is the latest rate available from Modon, UAE rate is updated by the recently declared reduction on industrial electricity rate by 29%

# Qatar has one of the lowest electricity costs in the world for industrial use

## Cost for electricity for industrial use<sup>1</sup>

USD-¢ per kWh, 2017/18



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# Labour Availability & Laws

## No Local Qatari Labour Requirement

Qatar has no requirement to employ local nationals which is a distinct advantage over other regional locations.

## No Quotas on Expatriate Workers

You, as an investor, are free to import talent wherever you may want to bring it from.

## Strict Health & Safety Regulations

The highest standards are applied throughout the zone.

## Strengthened Workers Rights

Qatar's non-discriminatory minimum wage came into force in 2021, applying to all workers, of all nationalities, in all sectors, including domestic workers.



## iCARE – your integrated setup solution

QFZ has a dedicated team of professionals that will help you obtain visas and connect with various labour requirements such as accommodation providers.

# Emphasis on higher education to foster R&D & local talent



Ranked 52nd in the Times Higher Education Asia University Rankings 2018, third in the Arab World.



Qatar ranks 5th out of 137 countries for the quality of its education system in the WEF's Global Competitiveness Index 2017-2018, and it leads among GCC states. Qatar also ranks 15th in university graduate skills, according to the Spectator Index.



Approximately 30,000 students, of whom 34% are foreign.



Free primary and secondary level education.





Qatar is not only a great place to work, it's a fantastic place to live. The country boasts extremely low crime rates, world-class schools and universities, cultural attractions and great recreational facilities.

**Education system** ranked 4th in the world by WEF

**Global cuisine** by world-leading restaurateurs including Alain Ducasse, Gordon Ramsay and Michelin-starred Vineet Bhatia

Wide range of **cultural events** hosted by the modern public library and the Doha Film Institute

**Cutting edge co-working spaces** offering advanced digital technology services including 3D printers and laser cutting

One of the world's **best healthcare systems**, offering the latest therapies and medicines at advanced hospitals and health research

**Highly-ranked international schools** teaching British, American and IB curricula





# 5

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# TEAM

**DANIEL MELHEM**

Founder and Managing Partner

- Long-standing track record in the financial and real estate sectors
- Role as trusted advisor to several prominent families and institutional investors from Latin America, Middle East, Europe and the United States
- Co-founder and President of the Gulf Latin America Leaders Council, created to deepen relationships between both regions
- Responsible for Morgan Stanley Private Wealth Management, Southern Cone team (Brasil, Argentina, Chile). US\$400MM+ AUM (2000-2003)
- Analyst at Lehman Brothers, later Investment manager for high-net worth private clients in Argentina, Spain, Chile and Brasil
- Bachelor of Science in Economics and International Business from Babson College, Economics Achievement Award (1997), USA

**FRANCISCO URANGA**

Senior Advisor, Industry

- Served during four years at the Public Sector in Argentina under the government of President Macri as General Director for Investments at the Argentine Investment and Trade Promotion Agency (until December 2019)
- Global Business Director of Exiros, a Techint Group Company and Tenaris (TS) and Ternium (TX). He led the business of global sourcing and trading services and goods for related and non-related companies with a team of 80 people in 14 countries. This business had a turnover of 4 BUSD a net income of 64 MUSD in net profits during last year. Working eight years at Nidera Seeds (now Cofco) in the agribusiness sector with his last position as finance manager.
- Freemarkets (now SAP Ariba), a Technology Company based in Pittsburgh, PA as a Market Maker and General Manager for business development for Freemarkets in Mexico
- MBA University of Pittsburgh, USA
- Bachelor in Business from Universidad Católica Argentina

**JUAN PABLO MAGLIER**

Senior Advisor, Agribusiness

- Over 20 years experience of public relations with government and public sector
- Head of Public Affairs of La Rural SA -Buenos Aires's Exhibitions Center- from 2010 to 2020. He lead successfully the reputation strategy of the Company
- Government Relations Manager of Telecom Argentina (French- Italian- Argentinian telecommunications company) from 2004 to 2010
- Vice President of the Economic Development Agency of Córdoba (ADEC), the Business Incubator Foundation of Córdoba and Under Secretary for Economic Development and Tourism.
- United Nations Development Program (UNDP) Consultant. 1993 and 1994
- Degree in Political Sciences (Catholic University of Córdoba. Master in Comunicaciõns Management (Austral Univeristy) and Public Policy (Georgetown University)

**AGUSTÍN KLUZ**

Managing Director, Qatar

- Seasoned professional with 10+ years managing transactions and development projects.
- Led sourcing, acquisition and financing of UK/US deals with end-to-end responsibility over diverse projects.
- Managed +US\$200M real estate portfolio with global reach across all RE asset classes.
- Mr. Kluz is an Architect (Universidad de Buenos Aires) and MBA (Universidad de San Andrés).

**CARLOS BAUCKHAGE**

Director, Middle East

- Director of Peninsula Trading FZC, Middle East
- Controller at Knightsbridge Partners from 2009 to 2019
- From 2007 to 2009 Zurich International Capital (Buenos Aires, Argentina) Private Banking Services. Operational Manager.
- From 2005 to 2007 121 Park Real Estate (Buenos Aires, Argentina) Real Estate Office. Treasurer.
- From 2002 to 2005 Chiroussot Chambeaux (Miami, USA) Real Estate Developer. Market research. Investment proposals.
- From 2000 to 2001 Bayer, Haarmann & Reimer (Buenos Aires, Argentina) Purchaser of IT and raw materials for production. Costs and stock management. Logistics and documentation for exports markets.
- BA in International Business, Universidad de la Marina Mercante



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**Thank you**

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KNIGHTSBRIDGE PARTNERS