

His Highness Sheikh Hamad bin Khalifa Al-Thani

EMIR OF THE STATE OF QATAR



Recently, *LEADERS* gathered a small, distinguished group of executives at New York's '21' Club, in honor of His Highness Sheikh Hamad bin Khalifa Al-Thani, Emir of the State of Qatar. Following is the address His Highness gave to those in attendance.

Dear friends and distinguished members of the audience,

I am pleased to meet you today in New York, which has recovered its vitality after the painful events of September 11, 2001. I would like to take this opportunity to thank everyone who has contributed to the development process in my country, which has enhanced the lives of our people in all areas – economic, social, and political. I greatly value this contribution and am looking forward to the broadening and strengthening of the foundations of this cooperation, as I am fully convinced that such cooperation will be highly beneficial to our two peoples.

The state of Qatar is cognizant of the extremely important role played by businessmen and bankers in the economic boom that Qatar has seen in recent years. In the past five years, Qatari GDP has grown by nearly 12 percent annually, and per capita GDP has grown by 7 percent annually, despite the rise in Qatar's population during the same period.

The oil and gas sectors have been the biggest growth engine. We have also been able to attract the best international companies as basic partners in huge investments in oil, gas, and petrochemical projects.

The development process that we have adopted has not stopped. On the contrary, growth is quickening at rates higher than in the past. In 2003 alone, Qatar signed initial agreements with foreign companies to establish enormous projects in Qatar with \$40 billion in investments. It is worth noting that American companies such as ExxonMobil Corporation, ConocoPhillips, and ChevronTexaco Corporation have made the largest share of the foreign investments.

These investments include projects to supply the U.S. market with 23 million tons of liquefied gas, which will constitute a substantial percentage of the U.S. market's liquefied-gas needs in coming years, making Qatar a strategic ally of the United States



The Hon. William S. Cohen, The Coben Group (left); Henry O. Dormann, LEADERS Magazine

Sanford I. Weill, Citigroup Inc. (left); John Deuss, Transworld Oil Limited



Klaus Peter Löbke, BASF Corporation (left); Roger C. Altman, Evercore Partners Inc. (center); David Schner, LEADERS



James J. Mulva, ConocoPhillips (left); Sanford I. Weill



Donald R. Keough, Allen & Company, Inc.



Dr. Wolfgang H. Reitzle, Linde Aktiengesellschaft AG

in supplying its growing energy requirements in the future.

Confidence in Qatar's economy is not limited to foreign oil companies. It also extends to international credit-rating firms, such as Moody's and Standard & Poor's. The latter raised Qatar's rating from "BBB" in 2000 to "A+" at present, a four-point increase in just four years.

The confidence we have earned in past years from investors, rating firms, and financial markets can be attributed to multiple factors of strength in the Qatari economy and the policies pursued by the government, the most important of which can be summarized as follows:

Qatar has the third-largest gas reserves in the world. They will suffice for hundreds of years, even if they are exploited intensively.

Regarding domestic political stability, we are constantly working to develop social, economic, and political factors that help to consolidate this stability.

The economic policy pursued by the government is one of open markets and economic freedom.

The fiscal policy adopted by the government aims to control spending, lower the external public debt, and develop the financial and investment reserve.



Qatar's First Deputy Prime Minister and Minister of Foreign Affairs H.E. Sheikh Hamad bin Jassim bin Jabr Al-Thani (left); M. Farooq Kathwari, Ethan Allen Inc.

Guest List

Delegation from Qatar

His Highness Sheikh Hamad bin Khalifa Al-Thani, The Emir

H.E. Sheikh Hamad bin Jassim bin Jabr Al-Thani, First Deputy Prime Minister and Minister of Foreign Affairs

H.E. Sheikh Abdulrahman bin Seoud Al-Thani, Special Secretary to His Highness the Emir

H.E. Saad Mohammed Al-Rumaihi, Secretary to His Highness the Emir

H.E. Nassir Abdulaziz Al-Nasser, Ambassador of Qatar to the United Nations

H.E. Sheikh Jabr bin Youssef bin Jassem Al-Thani, Director of the Office of H.E. First Deputy Prime Minister and Minister of Foreign Affairs

H.E. Badr Omar Al-Dafa, Ambassador of Qatar to the United States

Dr. Ibrahim Al-Ibrahim, Special Adviser to His Highness the Emir

Other Distinguished Guests

Roger C. Altman, Chairman, Evercore

Jeremy Arnold, Esq., Partner, Withers Bergman LLP

Daniel Barth, President and Chief Executive Officer, Lalique

Callum Barton, President and Chief Executive Officer, Richemont

Aaron Basha, Founder, Aaron Basha

David A. Bell, Chairman of the Board and Chief Executive Officer, Interpublic Group

William R. Berkley, Chairman and Chief Executive Officer, W.R. Berkley Corp.

Stephen J. Cannon, President, Dyncorp International, A CSC Company

The Honorable William S. Cohen, Chairman and Former Secretary of Defense, The Cohen Group

Stanislas de Quercize, President and Chief Executive Officer, Cartier

John Chr. M.A.M. Deuss, Chairman, Transworld Oil Limited

Henry O. Dormann, Chairman and Editor-in-Chief, LEADERS Magazine

Irene Farber, Director, Piaget

The numerous investment incentives offered by the state to foreign investors include relatively long tax exemptions and exemptions from import duties on project inputs.

We treat foreign partners with transparency, objectivity, and credibility, and we comply with international standards in the conduct of tenders and the awarding of contracts.

Qatar has a positive record in completing projects on time, at less than the projected cost, without going into arrears. Qatar has never gone into arrears, even when the price of oil fell to \$10 per barrel.

We are maintaining these factors of strength in the Qatari economy and continue to pursue a sound fiscal and oil policy. At the same time, we are constantly striving to improve the investment climate by building an appropriate infrastructure, creating industrial zones, and developing laws that encourage investment. Foreign investors are now able to acquire 100 percent of the capital in many economic sectors, as long as their investments are consistent with Qatar's development requirements.

The preceding notwithstanding, we still note weakness in the share of U.S. financial institutions and banks in the financing of Qatari projects. We believe that, in addition to the general factors that I mentioned, which will make future Qatari projects enticing for financiers, there are other special factors that should encourage American investors to participate in financing Qatari projects. The most important of these factors is that strong American interests are represented in these projects. American companies handle a large segment of these projects, some of which are intended to supply the United States with a significant portion of its future energy needs. Therefore, we urge American financing institutions and banks to become more involved in financing these projects. Such involvement will become even more vital in view of the special economic relations between our two countries, which entered a new phase with the signing of the Trade and Investment Framework Agreement on March 9, 2004.

Thank you.



Alberto W. Vilar, Amerindo Investment Advisors, Inc. James S. Turley, Ernst & Young LLP



David M. Rubenstein, The Carlyle Group (left); William R. Berkley, W. R. Berkley Corporation



Henry O. Dormann, Leaders Magazine

- General Joseph G. Garrett III**, Senior Vice President, Air and Missile Defense Systems, Raytheon
- Antonio M. Gotto, Jr.**, Dean, Cornell University, Joan and Sanford I. Weill Medical College
- David Hamod**, Chief Executive Officer, National U.S. Arab Chamber of Commerce
- General James L. Jamerson**, Regional President for the Middle East, Lockheed Martin Corp.
- M. Farooq Kathwari**, Chairman, President, and Chief Executive Officer, Ethan Allen, Inc.
- Donald R. Keough**, Chairman of the Board, Allen & Company, Inc.
- Daniel Lalonde**, President and Chief Executive Officer, LVMH Watch & Jewelry
- Klaus Peter Lobbe**, Chairman and Chief Executive Officer, BASF Corporation
- Marie McKee**, President, Steuben
- Paul M. McManus**, President and Chief Executive Officer, The Leading Hotels of the World
- Alton S. Minton**, Chief Executive Officer, FractionAir
- Alfred T. Mockett**, Former Chairman and Chief Executive Officer, AMS Corporation
- Alfredo J. Molina**, President, Molina Fine Jewelers
- J. J. Mulva**, President and Chief Executive Officer, ConocoPhillips
- Eugene D. O'Kelly**, Chairman and Chief Executive Officer, KPMG LLP
- Wolfgang Reitzle**, Chief Executive Officer, Linde AG
- Richard R. Roscitt**, Former Chairman and Chief Executive Officer, ADC Communications
- David M. Rubenstein**, Founder and Managing Director, The Carlyle Group
- Howard J. Rubenstein**, President, Howard J. Rubenstein Associates Inc.
- David W. Schner**, President and Executive Editor, LEADERS Magazine
- Sy Syms**, Chairman, Syms Corporation
- James S. Turley**, Chairman, Ernst & Young LLP
- Alberto W. Vilar**, President and Founder, Amerindo Investment Advisors, Inc.
- Sanford I. Weill**, Chairman, Citigroup Inc.
- Peter Wayne Yenawine**, President, Crystal Signatures