

# The Peninsula Business

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## QFCRA plans new rules for insurers, funds

Good supply of new firms in the pipeline; one or two firms may pack tents: Thorpe

DOHA: The Qatar Financial Centre Regulatory Authority (QFCRA) is developing new regulations starting this year as a growing number of insurance companies, funds and asset managers seek to set up in the financial zone, its chairman said.

QFCRA is planning new regulations to govern the insurance sector as early as the second half of 2009 and is devising rules for funds, even as demand dips during the financial crisis, Phillip Thorpe said.

"There's a good supply of new firms in the pipeline, areas of real growth are insurance, asset

management and funds," Thorpe said in an interview on Sunday.

More than 100 firms are now registered with the QFC, which is vying along with financial zones in Dubai and Bahrain to attract regional and global finance companies as their economies try to diversify away from a reliance on oil and gas revenues.

Oil and gas sectors account for about 66 percent of state revenues and about 60 percent of gross domestic product in Qatar, the world's biggest exporter of liquefied natural gas.

But the global financial crisis and lower oil prices have reduced

the number of applications the QFCRA has received and the number of new licences it is issuing, Thorpe said.

"I wouldn't be surprised if we see one or two pack up their tents but it is not anything we would regard problematic," he said, adding the authority would grant a new licence to an investment bank this week.

"We have quite a lot of new proposals on our desk and we will undoubtedly bring out further regulation in the area of insurance in the second half of this year or early next year."

A government plan to create

a single financial regulator for Qatar's financial and banking sectors, first unveiled in 2007, had been delayed due to the financial crisis, Thorpe added.

The regulator would combine the QFC regulator, the Qatar Central Bank and the Qatar Financial Markets Authority, which regulates the Doha bourse, into one entity.

"Clearly there has been a lot of government energy devoted to ensure the strength of the underlying economy," Thorpe said.

Qatar said last week it would offer to buy up to QR15bn (\$4.12bn) of banks' real estate

investments, more than tripling a support package to help lenders cope with a slump in equity and property markets.

Like its neighbours in the Gulf region, Qatar has taken many measures to help the local banking sector weather global economic turmoil and restore investor confidence.

In addition to the real estate support package, Qatar bought 6.5 billion riyals of banks' investment portfolios earlier this year and its sovereign wealth fund said late last year it would buy stakes of 10-20 percent in local banks.

REUTERS

## QTIC stocks being delisted as merger formalities end

DOHA: Qatar Technical Inspection Company (QTIC) stocks are being delisted from the Qatari bourse from today as formalities of its merger with Qatar Fuel (Woqod) have been completed.

The merger will bring down the number of listed companies on the Qatar bourse, the Doha Securities Market (DSM) to 42 from 43. Accordingly, trading in Woqod shares will resume on the DSM from today as the allotment process has been completed, the DSM said in a statement yesterday. Necessary approvals from the concerned authorities for the move have been taken.

The allotment process has been done in the ratio of 5.3 shares of QTIC for every one share of Woqod. The allotment ratio was based on a swap ratio of (5.3 : 1) as recommended by the Ernst & Young assessment report.

It is also noted that vehicle inspection performed by QTIC will now be done by Qatar Fuel in accordance with a specified mechanism and legal framework to be adopted by the company's Board of Directors.

The DSM further said in the

## Qtel's \$1.5bn bond offer gets \$10bn in bids

NEW YORK/DOHA: Qatar Telecommunications Co's (Qtel) \$1.5bn debut bond sale has

programme, which is partly to help the company refinance its debts.

