

QATAR LAW Q&A: ENGINEERING ACTIVITIES IN QATAR

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INTRODUCTION

In view of the significant infrastructure works that are proposed to be undertaken in the State of Qatar in the lead up to the FIFA World Cup in 2022, engineering firms from around the world are establishing operations in the State and otherwise looking to secure contracts for work. Set forth below are some key questions and answers regarding the conduct of engineering activities in Qatar and the legislative scheme under which they are regulated.

Patton Boggs represents many of the largest employers, owners, developers, contractors, architects and engineers throughout the world, and particularly in the Arabian Gulf region, on major procurement, transactional and related finance matters. With regard to Qatar specifically, our professionals have, for nearly two decades, served as attorney-advisers to various Qatari Government entities, major Qatari companies and foreign organizations doing business in Qatar. In 2003, Patton Boggs became one of the first international law firms licensed to operate in Qatar when H.H. the Emir, Sheikh Hamad bin Khalifa Al-Thani, invited the firm to open an office in Doha.

CAN ANYONE CARRY ON ENGINEERING ACTIVITIES IN QATAR?

No. The conduct of engineering activities is rigorously regulated in the State of Qatar. Under Law No. 19 of the Year 2005 Organizing the Exercise of Engineering Professions (the Engineering Law), each individual performing engineering works in Qatar and each firm performing engineering works in Qatar must be registered on the applicable register held with the Urban Planning and Development Authority (the Authority). Firms may register as either an "International Engineering Consultancy" or a "Local Engineering Consultancy," provided that they meet the respective criteria. The detailed requirements for registration are set out in the executive regulations to the Engineering Law, issued by the Authority's board under Decision No. 1 of the Year 2006 (the Executive Regulations).

WHAT ARE THE KEY CONDITIONS FOR REGISTRATION OF AN INDIVIDUAL ENGINEER?

Article 5 of the Engineering Law sets forth the conditions for registration of an engineer, in the Qatari Register of Engineers. The conditions include, among other things, the requirement that he or she be Qatari or otherwise resident in the State of Qatar, and that he or she hold a Bachelor of Engineering or equivalent qualification from one of the recognized universities or institutes. Depending on his or her area of specialization, additional qualifications and experience is required, along with "good standing" requirements that demand the applicant be known for "commendable conduct and good name," and have not been convicted of a felony or imprisoned for a crime relating to honor or integrity (unless his record has been cleared and legal status restored).

The documentary requirements for an application for registration with the Qatari Register of Engineers are significant, and the application process to the Accreditation Committee may be protracted. A thorough vetting of the application by someone familiar with the application process is recommended, prior to its submission.

WHAT ARE THE KEY CONDITIONS FOR REGISTRATION OF A LOCAL ENGINEERING CONSULTANCY?

Article 5 of the Engineering Law also sets out the conditions for registration of an engineering office in the Register of Local Engineering Consultancy Offices. Key among these is the requirement that the office be at least 51 percent-owned by a Qatari natural or legal person, thereby requiring a foreign engineering firm to partner with a local person or company, in order to fulfill the requirements of this category of engineering outfit.

In addition, the engineers employed by a Local Engineering Consultancy must be among those registered in the Register of Engineers and must have experience as specified in the Executive Regulations.

The Local Engineering Consultancy Office must also indicate under which technical specialization (and sub-classifications) it desires to be registered, and is prohibited from practice in a specialization area in which it is not registered.

WHAT ARE THE KEY CONDITIONS FOR REGISTRATION OF AN INTERNATIONAL ENGINEERING CONSULTANCY?

Article 5 of the Engineering Law stipulates, among other things, that in order to register in the Register of International Engineering Consultancy Offices, the office must be a branch of a main office abroad that has been licensed to pursue the profession for at least 10 years, and which has consistently worked in the profession of engineering consultancy during that period. The Executive Regulations further stipulate that an application to register an International Engineering Consultancy must, among other things, include certified copies of at least 4 licenses for branch offices of the main office, which must be located in at least 4 states other than the main office's home country. This type of engineering outfit is accordingly designed to suit firms already operating on a global or regional basis, and not smaller, start-up operations.

The applicant office must also submit certain undertakings, under which it agrees to bear responsibility for the obligations of the International Engineering Consultancy Office in the State of Qatar.

As with Local Engineering Consultancy Offices, the engineers of International Consultancy Offices must be registered to practice in the State, and the Consultancy Office must be approved to operate in specific areas of technical specialization, outside of which it cannot operate.

WHAT ARE THE AREAS OF TECHNICAL SPECIALIZATION FOR WHICH AN OFFICE MAY REGISTER?

The Executive Regulations set forth 9 different areas of technical specialization in which the engineering professions – whether through Local or International Engineering Consultancy Offices – may operate within the State of Qatar. The areas of technical specialization are civil engineering; architectural engineering; mechanical engineering; electrical and electronic engineering; chemical, petroleum and gas engineering; quantity calculation and cost estimation; project management; industrial engineering; and security and safety engineering. It is worth noting that certain sub-classifications apply to many of these categories of specialization, so that, for example, civil engineering is comprised of 8 different sub-specializations ranging from “construction engineering” and “roads and traffic engineering,” through to “airport and harbor engineering” and “survey engineering”.

FOR HOW LONG MAY A LOCAL OR INTERNATIONAL ENGINEERING CONSULTANCY OPERATE IN THE STATE?

Registration on one of the engineering registers held with the Authority is for a period of 2 years in each instance, and registrations are to be renewed within 30 days of their expiry. Pursuant to Article 11 of the Engineering Law, failure to renew a registration within 30 days of a registration expiry “warning notice” triggers the deletion of the relevant name from the register. Renewal of a registration is generally subject to meeting the documentary and other requirements of the original registration application.

IS IT ACCEPTABLE TO CARRY ON ENGINEERING WORKS IN CONJUNCTION WITH OTHER ACTIVITIES IN QATAR?

No. Owners of, partners in and engineers working in, Engineering Consultancy Offices in Qatar are prohibited from carrying out contracting works, trading in building materials or other materials connected with the execution of projects, irrespective of the size or type thereof, or any other profession that is contrary to their profession, nor can they endeavor to secure projects through means that are contrary to the code of ethics or practices of the profession. Owners of, partners in and engineers working in, Engineering Consultancy Offices are also prohibited to work in any ministry, other Government body, public establishments or corporations. This means that, among other things, foreign engineering firms who intend to partner with a local Qatari person or company in a Local Engineering Consultancy Office must carefully assess the businesses of, and positions held by, their proposed Qatari partner, so as not to contravene this requirement.

ARE THERE ANY EXEMPTIONS TO THE ENGINEERING LICENSE REQUIREMENT?

Yes. The Engineering Law permits the licensing of non-Qatari's to exercise the engineering profession in certain distinct technical specializations that are not available in the State of Qatar or which are necessary for the technical experience and development purposes of professionals in the State.

In addition, branch offices – which are established in Qatar on the basis of a contract deemed to be of public service or utility and which are subject to approval in the form of a Ministerial Resolution obtained from the Qatari Ministry of Business and Trade – may be exempted from Engineering Consultancy Office registration with the Authority. The exemption is traditionally in the form of a no objection letter issued by the Engineering Committee at the Authority, however current practice dictates that no formal exemption letter is required to be issued. Matters of ministerial practice such as this should, however, be checked upon regularly as they may change from time to time without public notification.

WHAT SHOULD I KNOW ABOUT THE ENGINEERING OFFICE REGISTRATION PROCESS?

It is strongly recommended that foreign firms contemplating engineering office registration in Qatar obtain local advice and assistance in relation to their registration application. As mentioned above, the registration process can be protracted, and the associated documentary requirements are considered substantial. As such, it is advisable to liaise closely with senior representatives within the Authority throughout the application process. Patton Boggs is pleased to assist clients seeking Engineering Office registration.

FOR MORE INFORMATION ON THIS SUBJECT, PLEASE CONTACT ONE OF THE PATTON BOGGS ATTORNEYS LISTED BELOW:

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