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We help investors, give them additional tools: CEO of QCSD **PAGE 11**



DOW	33,512.11	QE	11,025.14	SENSEX	60,941.67	GOLD	1,945.30
	+136.62 PTS		+120.05 PTS		+319.90 PTS		+0.02%
BRENT	87.98	WTI	81.48	SILVER	23.46		
	+0.40%		-0.20%		-2.01%		

Minister of Finance meets Pakistani counterpart



Minister of Finance HE Ali bin Ahmed Al Kuwari on Monday met with Minister of Finance of Pakistan, Ishaq Dar during his visit to Doha. During the meeting, they discussed the existing relations between the two countries, and prospects of enhancing and developing them, especially in the fields of investment, finance and economy, in addition to a number of issues of mutual interest.

S&P, Moody's confirm Qatar's rating at AA with positive outlook

QNA
DOHA

S&P Global and Moody's credit ratings for Qatar stand at AA with a positive outlook, given the country's gross domestic product, high GDP per capita, huge hydrocarbon reserves, high net asset value, and efficient monetary and fiscal policies, the international credit rating agencies conference revealed on Monday.

The conference was held by the Qatar Association of Certified Public Accountants (QCPA), under the auspices of Minister of Social Development and Family HE Maryam bint Ali bin Nasser Al Misnad, and in strategic partnership with the Global Compliance Institute (GCI), and with the participation of a number of local and international bodies.

In his opening speech, QCPA Board Deputy Chairman Abdullah Al Mansoori said the first of its type conference in the State of Qatar gains high importance amid the financial, economic, and geopolitical crises hitting the world, as well as the supply chain disruption, inflation, and the COVID-19 pandemic impacts, with countries seeking to prove their credit and investment ratings to receive funding from international agencies to avoid the risks and get out of these crises with minimal losses and without disrupting the development process.

The importance of global rating agencies in the global economy has increased amid the significant shift in global economic activity, especially the liberalisation of financial



Qatar recorded exceptional economic performance in 2022.

markets and banking services, in addition to the development of financial engineering that increased the complexity of exchanges and obligations, particularly with the emergence of financial derivatives, Mansoori told the conference.

This increased the financial risks in global markets, elevating the importance of the rating agencies' role as a tool to reduce financial risks and the resulting severe financial crises, he added.

He hailed the record economic performance in 2022 as exceptional for the Qatari economy, given the country's successful FIFA World Cup Qatar 2022 hosting. He highlighted the World Bank Group's latest reports that set optimistic outlooks for the Qatari economy, expecting about a 3.4 percent growth, along with estimates that the Qatari economy has achieved a four percent growth in 2022 compared to initial es-

timates that put the growth at about 3.2 percent.

After the conclusion of the FIFA World Cup Qatar 2022, the 2023 budget was unveiled with no less than QR29 billion surplus, despite adopting a conservative price for a barrel of oil at \$65 at a time when the price of a barrel exceeds \$80, as a result of the remarkable recovery in global energy prices during the current year, to confirm the strength and durability of the Qatari economy and its ability to withstand the fluctuations and uncertainty in the global economy.

The budget proved that Qatar, under its wise leadership, continues to move forward with confidence in building its economy and development plans, and this is another evidence of Qatar's political and economic stability, which makes it fertile soil for investment and growth, Mansoori said.

Continued on page 10

Qatar Chamber panel reviews obstacles facing tourism sector

TRIBUNE NEWS NETWORK
DOHA

QATAR Chamber Board Member Sheikh Hamad bin Ahmed bin Abdulla Al Thani presided over the first meeting of the Tourism and Exhibition Committee this year at the chamber's headquarters to discuss obstacles facing the sector and ways of tackling them.

During the meeting, members of the committee confirmed the importance of coordination between ministries and concerned bodies with tourism companies and travel agencies in the local market, stressing that this is of great impact on developing and supporting the sector.

The meeting also touched on the results of previous meetings and endorsed minutes of the previous meeting.



Qatar Chamber Board Member Sheikh Hamad bin Ahmed bin Abdulla Al Thani

It is noteworthy that the tourism and exhibition committee plays a key role in developing the sector in the state. It follows up on the implementation of the strategic plans adopted by the country to develop the sector and re-

views, follows up, and activates laws and legislation that contribute to developing this sector and makes recommendations of relevance to them.

It also coordinates with the chamber's departments and provides the private sector with information and data about this sector and addresses obstacles and constraints facing the sector for appropriate solutions.

The committee also organises seminars, conferences, and workshops that help in promoting the sector and participates in local and international meetings, seminars, and conferences, as well as contributes to conducting studies on labour market in the sector and presenting recommendations and proposals to the chamber's board of directors.

Active drive in Qatar to strengthen domestic debt capital market: Jaيدا

SATYENDRA PATHAK
DOHA

THERE is an active drive in Qatar to strengthen the domestic debt capital market to diversify sources of funding and expand sustainable finance solutions, QFC Chief Executive Officer Yousuf Mohamed Al Jaيدا said on Monday.

Addressing the Qatar Financial Market forum under the theme 'From Sustainable Financing to Debt Capital Markets, Uncovering Solutions for the Future of Banking in Qatar', Jaيدا said, "It is a part of a broader strategy to enhance the country's capital market infrastructure and create a greener future in line with the Qatar National Vision 2030."

Jaيدا said, "The banking sector plays a big role in translating sustainability ambitions into reality. By leveraging this power, we can address many environmental challenges we face today. QFC has played an integral part in Qatar's capital market development journey, and we are proud to collaborate with Bloomberg Intelligence in organising this forum for an open discourse on how we can maximise the financial solutions to advance national sustainability objectives."

The country is increasingly attracting international investors to its growing equity market, and there is an encouraging potential for local bond and Sukuk issuances, he said.

In general, Jaيدا said, Qatari issuers have been accessing the international debt capital market since the inaugural sovereign issuance in 2003 of \$700 million

Sukuk, marking the first-ever sovereign Sukuk issuance from the region.

In 2020, he said, Qatar National Bank issued the first-ever green bonds in the country at a value of \$600 million, which represents a remarkable achievement for sustainable financial development in Qatar. In addition, major banks and financial sector stakeholders are launching initiatives that promote sustainable banking and financing.

The forum, a joint effort between the QFC and Bloomberg Intelligence, convened leaders and key stakeholders from private companies, government entities, and financial institutions for a day of dialogue covering consequential topics around bank funding, debt capital markets, and sustainable finance.

Jaيدا considered the forum an opportunity for open discussion on how to maximize financial solutions to advance the national goals of sustainability, saying that "it will tackle two of the most important topics affecting the banking sector in Qatar, which are the debt capital market, sustainable financing, and environmental, social, institutional governance. These two topics are important for the development of the sector and the transition to a more flexible financial environment and a sustainable economy."

Jaيدا added that by 2023, sustainable financing in Qatar is expected to provide investment opportunities worth \$75 billion, which indicates the importance to make great efforts to promote the domestic debt capital market, and adherence to the principles



QFC Chief Executive Officer Yousuf Mohamed Al Jaيدا speaks at the forum on Monday.

of sustainability and environmental, social and institutional governance to meet the growing need for sustainable financing.

The event explored Qatar's banking funding landscape and strategies to steer the industry toward sustainable and inclusive growth.

It included three presentations, including an analysis of the '2023 Energy Outlook' by

Salih Yilmaz, Senior Research Analyst, Bloomberg Intelligence; 'Health Check on the GCC Banking Sector' by Edmond Christou, Senior Research Analyst, Bloomberg Intelligence, and 'Domestic Debt Capital Market in Qatar: Potential and Building Blocks' by Ayman Doukali, Head of Islamic and Structured Finance, Qatar Financial Centre.

Speaking at the event, Ed-

mond Christou, Senior Research Analyst at Bloomberg Intelligence, said, "Although we have seen lower debt issuance by Qatari banks last year, diversification of the funding mix remains a key area of focus given local lenders' debt makes up 8 percent of overall liabilities, in comparison to over 11 percent for international peers. Developing a domestic capital market helps banks tap into liquidity and strengthen long-term funding, to support a growing infrastructure pipeline."

The presentations were followed by two panel discussions themed 'Developing a Domestic Debt Capital Market and its Impact on the Banking Sector' and 'Sustainable Finance and ESG in Qatar', which covered critical factors that impact Qatar's financial market and business environment.

The first panel featured Edmond Christou, Senior Research Analyst at Bloomberg Intelligence; Akber Khan, Senior Director at Al Rayan Investment; Pravesh Malhotra, Head of Investments, Commercial Bank of Qatar; and Ayman Doukali, Head of Islamic and Structured Finance, Qatar.

Their discussion focused on the liquidity position of Qatari banks and its performance based on the dynamics of local and foreign currency funding situation, the challenges impacting the funding environment, the role of a potential domestic debt capital market in improving the Qatari capital market, and other aspects that affect Qatar's banking sector.

The second panel, which

featured Lea El-Hage, Senior Associate, Bloomberg Intelligence; Mohsin Mujtaba, Director, Qatar Stock Exchange, Tahir Pirzada, GM, Group Treasurer, and Financial Institutions, Masraf Al Rayan; Ifzal Nawaz, Head of Financial Institutions Group and Public Sector, HSBC; and Leo Chi Wai Tong, Head of Sustainability, Qatar National Bank, covered the regional and global ESG trends, the ESG/sustainable finance commitments made by Qatari financial institutions, the benefits of green and sustainable financing schemes to the private sector, and the ESG considerations of foreign investors when evaluating investments in Qatar and the region.

Both panels were moderated by Bloomberg Correspondent Simone Foxman.

Bloomberg data shared during the forum highlighted that since 2019, Gulf banks had issued \$105 billion worth of debt, but only five percent of which are green bonds, indicating a significant growth potential for green or sustainable finance, especially with the increasing number of organisations adhering to ESG principles.

"Qatar is on the path to developing a more diversified capital market. With established regulations for the governance of existing and new financial investments and continued efforts to adopt comprehensive approaches to capital market development, the country is set to establish a niche sustainable finance market, which is expected to reach a global value of over \$22 trillion by 2031," it said.

QNB extends support to Credit Rating Agencies Conference

QNB is a platinum sponsor of the conference that aims to solidify Qatar's position within the region

TRIBUNE NEWS NETWORK
DOHA

QNB Group, one of the largest financial institutions in the Middle East and Africa, announced its platinum sponsorship of the International Credit Rating Agencies Conference.

This conference will be held for the first time in Qatar with the participation of international credit rating agencies such as, Moody's and Standard & Poor's Global Ratings.

Commenting on this sponsorship, Heba Ali Al Tamimi, Senior Executive Vice President of QNB Group Communications: "QNB Group is proud to be a platinum sponsor for this conference, which aims to solidify Qatar's position within the region. The Group has continuously played a major role as a catalyst given its capital strength, unparalleled network, coverage in major financial centers such as London, Paris and Singapore, and strong credit ratings."

This conference attracts elite experts and specialists in the economic and financial sector to highlight the latest trends in investment and credit ratings. This event aims to support Qatar's efforts to attain a



This International Credit Rating Agencies Conference will be held for the first time in Qatar with the participation of international credit rating agencies such as, Moody's and Standard & Poor's Global Ratings.

high rating, most notably due to the record rise in energy costs, the increasing demand for liquefied natural gas globally, in addition to the high private sector export, financing, and the accumulated sovereign financial assets of Qatar Invest-

ment Authority.

QNB Group, currently ranked as the most valuable bank brand in the Middle East and Africa. Through its subsidiaries and associate companies, the Group extends to more than 30 countries across

three continents providing a comprehensive range of advanced products and services. The total number of employees is 27,000 operating through 1000 locations, with an ATM network of more than 4,600 machines.

Grand prize winner of Thara'a draw named

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DOHA

DUKHAN Bank customer Jassim Ali Al Mejali won the QR1 million Thara'a grand prize of the bank's Thara'a raffle draw.

The draw was conducted under the supervision of a Ministry of Commerce and Industry representative.

Thara'a is the bank's Shariah-compliant savings account, which rewards its customers through raffle draws held on monthly, quarterly and annual basis.

The monthly draw rewards two customers with QR10,000 each and 59 with QR5,000 each. Every quarter, the draw picks two winners for QR25,000 each and two others for QR50,000 each. Annually, the draw picks one for the grand prize of QR1 million. Altogether, the draws pick 501 winners for rewards worth QR3.79 million in a year.

Talal Ahmed Al Khaja, Dukhan Bank's Chief Marketing and Communications Officer, said, "We are delighted to congratulate Jassim Ali Al Mejali as the winner of the Thara'a One Million Qatari Riyals grand prize. Thara'a has been designed to bring Dukhan Bank's customers an impressive array of features and benefits under one account that also

rewards them on a monthly, quarterly, and annual basis. As always, Dukhan Bank constantly strives to bring its customers great value, excellent products, and uncompromised service through our innovative service offerings."

Coupled with cash prizes and a reward scheme, Thara'a is a product full of value-added benefits and services. Thara'a offers account holders access to Dukhan Bank's innovative banking channels, with benefits including unlimited withdrawals and deposits, as well as free fund transfers across their accounts and through all Dukhan Bank channels.

Dukhan Bank offers an extensive variety of personal banking products and investments, as well as seven strategically located branches and a broad network of ATMs located across Qatar. Customers can access their accounts at any time through the state-of-the-art online banking, or via the 24/7 Contact Centre.

Customers may learn about the many benefits of Thara'a savings account by visiting Dukhan Bank's website, www.dukhanbank.com, or by calling the Contact Centre on 800 8555 or asking 'Rashid', its virtual assistant, on the website, mobile app or via WhatsApp on 44100 888.



QIG and 8 of its entities get ISO 27001 certification

TRIBUNE NEWS NETWORK
DOHA

QATARI Investors Group (QIG) and its eight group entities have been awarded the prestigious ISO 27001: 2013 Certification by Det Norske Veritas (DNV), the world's leading classification society, after complying with the rigorous requirements of this international standard.

ISO/IEC 27001:2013 is a globally recognized certification for Information Security Management System. Achieving this certification, affirms QIG's ongoing commitment for continuous improvement, as it provides a framework for keeping the organization's information safe.

It's a holistic approach that covers the entire organization, and encompasses people, processes and technology, leading to a significant increase in the organization's resilience to cyber-attacks while complying with business, legal and regulatory requirements.

After a detailed and comprehensive audit process, DNV has, from the first instance, awarded the internationally



recognized ISO 27001 certification to QIG and its entities: Al Khalij Cement Company (AKCC), Mobility Car Rental (Europcar Qatar), Qatar Security Systems (QSS), QIG Marine Services, Al Massey Shipping Agency, First Shipping Agency, United Logistics, and United Shipping Agency.

ty Systems (QSS), QIG Marine Services, Al Massey Shipping Agency, First Shipping Agency, United Logistics, and United Shipping Agency.

"It is one of the most ambitious group-wide ISO 27001 initiatives embarked on in the State of Qatar", Balamurugan Sambasivam, Area Manager - Middle East at DNV Business Assurance, said.

"QIG demonstrated their uncompromising commitment to safeguarding information and information assets across their business areas considering the needs of its stakeholders", he added.

QIG is proud to deliver on this achievement to its shareholders, as it is yet another testimony of the Group's diligence in successfully managing and developing its operations, continuously striving for excellence and compliance with the Best-In-Class standards.

Qatari Investors Group (QIG) is a diversified conglomerate listed on the Qatar Stock Exchange. The group owns and operates several subsidiaries in diverse sectors. Its brands have an established presence and a record of accomplishment in the Qatari market, serving flagship projects, customers and facilities in the private and public sectors.

Apple seeks to lift India output share to 25%

AGENCIES

APPLE wants India to account for up to 25% of its production from about 5%-7% now, the country's trade minister told a conference on Monday, as the iPhone maker continues to move its manufacturing away from China.

"Apple, another success story," Piyush Goyal said, pitching India as a competitive manufacturing destination. "They are already at about 5-7% of their manufacturing in India. If I am not mistaken, they are targeting to go up to 25% of their manufacturing. They launched

the most recent models from India, manufactured in India." Goyal did not say when Apple wants to meet the target. Apple did not immediately respond to a request for comment.

Cupertino, California-based Apple has bet big on India since it began iPhone assembly in the country in 2017 via Wistron and later with Foxconn, in line with the Indian government's push for local manufacturing.

Foxconn plans to quadruple the workforce at its iPhone factory in India over two years, sources told Reuters late last year.

Sakhalin exception: The Russian energy Japan can't quit

AGENCIES

THIS year's Group of Seven president Japan has joined the bloc's condemnation of Russia's Ukraine invasion, imposing sanctions and agreeing on an oil price cap, with one exception: Moscow's Sakhalin energy projects.

Sakhalin-1 and 2 in Russia's far east are an anomaly in Tokyo's otherwise lockstep efforts with allies to reduce reliance on Moscow's hydrocarbons.

It's a contradiction that Japanese officials, and some experts, feel is unavoidable for a country that is by far the least energy self-sufficient in the G7.

But others warn the decision is a "vulnerability" for Tokyo, that "undermines" its diplomacy.

Last year, Japan pledged to phase out Russian coal imports and gradually decrease its energy dependence on Moscow.

Government data released on Thursday showed that oil imports from Russia fell around 56 percent last year, while coal imports were reduced by 41 percent. But imports of Russian liquefied natural gas (LNG) were up more than four percent in 2022.

Sakhalin-1 produces oil, while Sakhalin-2 produces both crude and LNG, and experts say access to Russian



Japan has pledged to reduce reliance on Moscow's hydrocarbons but is by far the least energy self-sufficient country in the G7.

gas is what Japan is most concerned about protecting.

Last year, 9.5 percent of Japan's total LNG imports came from Russia, up from 8.8 percent in 2021 -- most of it from Sakhalin-2.

So when Japan joined a price cap on Russian oil last year with its G7 allies, the European Union and Australia, it obtained an exemption for

Sakhalin-2.

And while U.S. and British firms ExxonMobil and Shell have relinquished their stakes in Sakhalin-1 and 2 respectively, Tokyo has stayed put, even complying with new Russian rules.

It's a purely pragmatic position, said Hiroshi Hashimoto, head of the gas group at the Institute of Energy Economics.

"They are geographically so close to the country and have significant energy resources," he told AFP. "The projects were developed to diversify energy sources." Japan has never forgotten the oil shock of the 1970s, and energy security threats "are ingrained in the mindset of the Japanese government", said James Brown, a political science professor

at Temple University's Japan campus.

The country's energy supplies will be particularly at risk "in the case of a crisis in the Middle East or in the South China Sea, through which much of Japan's energy is shipped", he added.

Still, Japan got only 1.46 percent of its oil imports from Russia in 2022, and not all came from Sakhalin.

Its main interest is protecting access to Sakhalin-2's LNG, said Yuriy Humber, founder of Japan NRG, a platform analyzing energy and electricity markets in Japan.

"If you put an embargo on the oil, but the project is still producing both oil and gas... you make it very difficult on an engineering and economic basis to keep the project going," he told AFP.

The war means competition for alternatives to Russian LNG has increased, along with prices, and Japan has little storage capacity, making Sakhalin's proximity key.

"The alternatives aren't really very easy and they are very expensive," he noted, with long-term contracts recently agreed with the United States and Oman unlikely to be delivered for years.

Japanese officials frame the continued use of Sakhalin as an

energy security imperative, and warn that withdrawing could see China enter the projects.

But Brown believes the projects are a "vulnerability" that leave Japan at risk of retaliation from Moscow.

"The Russian government has been very clear that they view Japan as an 'unfriendly state,'" he said. "There is every reason to think that they could also manipulate exports from the Sakhalin projects to retaliate against Japan." Several eastern European countries have secured exemptions to the bloc's oil ban and price cap, but as this year's G7 president, Japan's Sakhalin exception stands out.

"The decision to keep stakes in Sakhalin-1 and 2, and exempt its actions from the G7 oil price cap, is notably contradictory," Wrenn Yennie Lindgren, a researcher for the Norwegian and Swedish Institutes of International Affairs, told AFP.

It "undermines the moral and values-based diplomacy that it is pledging to strengthen during its (G7) presidency", she added.

But Japan NRG's Humber believes Japan has little alternative.

"You can only afford to be moral when you have a pragmatic solution."

Bank of Japan undeterred by threat to consumers from above-target inflation

AGENCIES

IN the eyes of Japanese consumers, the Bank of Japan, the guardian of price stability, may look out of touch with the reality they face in everyday life.

Japan's core consumer inflation hit a 41-year high of 4.0 percent in December, double the BOJ's target, and more waves of price hikes await households in the coming months.

The BOJ says it remains committed to its massive stimulus until inflation reaches its 2 percent goal. The current pace of price increases signals the central bank could phase out its easing policy, just as other central banks are raising interest rates to fight inflation.

The BOJ defied market pressure to tweak its ultralow interest rate policy at its policy meeting in January and Governor Haruhiko Kuroda reckons the 2 percent target has yet to be achieved in a true sense. The bank wants inflation to attain the goal in a stable fashion.

After the BOJ surprised financial markets with its abrupt decision in December to raise its ceiling on long-term government bond yields, expectations of a policy shift will likely continue, all the more so as the Japanese central bank will have a new governor succeeding Kuroda in April.

Last year, energy and raw material prices surged in the midst of Russia's war against Ukraine and the yen's plunge in the currency market magnified the impact, pushing up the consumer price index, the key gauge of inflation.

Economists say a repeat of 2022 is unlikely. But consumer prices will likely remain elevated in early 2023 as companies do not yet feel fully able to pass on rapidly increasing costs and the BOJ may come under renewed pressure to do



Bank of Japan Haruhiko Kuroda attends a session on the closing day of the 53rd annual meeting of the World Economic Forum, WEF, in Davos, Switzerland, on Friday

something about it.

"It is natural that the two perceptions grow far apart in a crisis situation, when consumers want immediate changes and the central bank needs to keep future growth in mind. This is why communication is very important in central bank policy," Martin Schulz, chief economist at Fujitsu Ltd., said.

Some 94 percent of consumers in a recent BOJ survey said they feel prices have risen from a year ago, while 85 percent expect them to increase in the year ahead.

Annual wage negotiations between management and labor unions this spring will come into greater focus as Prime Minister Fumio Kishida

is calling for pay hikes that outpace the rate of inflation.

Major companies are forecast to offer pay rises of 2.85 percent on average in the negotiations, according to a poll of 33 economists conducted by the Japan Center for Economic Research.

"Our hope is that wages will start to rise. That could make the 2 percent inflation target met in a stable and sustainable manner, but we have to wait for some time," Kuroda told this year's World Economic Forum in Davos, Switzerland, making his case for the current "extremely accommodative" monetary policy.

A decade ago, the government and the BOJ reached an

accord under which the central bank committed itself to achieving the 2 percent target "at the earliest possible time." Kuroda has called the target a "global standard," also adopted by other central banks like the U.S. Federal Reserve.

But its public recognition remains low, with 41 percent in the BOJ survey saying they were unaware of the target. Government sources said earlier that the decade-old accord will likely be revised under a new governor.

When the joint accord was reached in January 2013, Japan's core CPI had declined 0.2 percent. The index only rose 0.4 percent that year from 2012. Core CPI excludes

the prices of volatile fresh food items.

The situation for Japan was unique in that it had to fire up inflation, not rein it in.

The key gauge of inflation has now remained above the BOJ's target for nine straight months, largely due to rising import prices.

The BOJ still expects the trend not to last long and sees a "virtuous cycle" of price hikes and wage growth as missing. Core CPI is projected to undershoot its target in the next two fiscal years.

"The possibility is low that YCC (yield curve control) will be abolished while Kuroda remains as governor," said Shota Kugo, senior economist at

Daiwa Institute of Research, adding that much depends on who succeeds him as BOJ chief.

Under its yield curve control program, the BOJ sets short-term interest rates at minus 0.1 percent and guides 10-year Japanese government bond yields to around zero percent, but it expanded the narrow trading band for the benchmark 10-year yield to minus 0.5 percent and 0.5 percent last month. Financial markets took the policy tweak as a first step toward an exit from the bank's massive stimulus.

"While inflationary pressures from higher commodity prices and the weaker yen have been confirmed... strengthening domestic demand is also pushing up prices to a certain degree," Kugo said. Price hikes, which have largely been focused on goods, should further spread to services for the BOJ's target to be attained, he said.

Pent-up demand from the COVID era has been emerging in recent months. Japan's output gap, which has been negative, is expected to turn positive, meaning there will be more demand than supply, a positive sign for the price outlook.

Takahide Kiuchi, executive economist at Nomura Research Institute, projects the increase in core CPI will remain above the BOJ's target in fiscal 2023 but will slow to 0.7 percent in fiscal 2024, compared with the BOJ's most recent projection of 1.8 percent.

"Expectations will wane later this year that a virtuous cycle of wages and prices will appear," Kiuchi, a former BOJ board member said. "The BOJ would have to modify its 2 percent target if it wants to normalize its monetary policy. Redefining it as a medium- to long-term target would be among the options."

Yellen pushes for China to address Zambia's big debt

AGENCIES

U.S. Treasury Secretary Janet Yellen, on the second leg of an African tour aimed at promoting American investment and ties, said on Monday it's crucial to immediately address Zambia's heavy debt burden with China.

Yellen was in Lusaka, a capital city that's visibly dominated by Chinese financing. Visitors to Lusaka arriving at the renovated Kenneth Kaunda International Airport see a facility expanded in 2015 with Chinese money. A ride into the city passes billboards and newly built firms bearing Chinese signage, more evidence of Beijing's influence and increasing competition with the United States.

But the growth that the country has experienced has come with a heavier debt burden. Zambia became Africa's first coronavirus pandemic-era sovereign nation to default when it failed to make a \$42.5 million bond payment in November 2020. Negotiations over how to deal with the debt load have been ongoing.

Experts say a prolonged debt crisis could permanently prevent countries like Zambia from recovering, leading to an entire nation sliding deeper into poverty and joblessness, and exclude it from credit to rebuild in the future. "It's critically important to address it right away," Yellen told reporters at a Monday morning press conference in Zambia's National Public Health Institute.

How Zambia's debt is renegotiated with the Chinese — and how quickly — will provide a test case for how lenient China will be with other overextended nations that face debt distress.

On Monday, Yellen said that while she had "constructive" conversations with her Chinese counterpart on Zambia's debt in Switzerland during a first face-to-face meeting last week, "it's taken far too long already to resolve this matter." Addressing Zambia's debt is a primary reason for Yellen's visit, and the Treasury secretary will meet with Zambia's president and finance minister later Monday to push for the Chinese to continue negotiations.

Yusuf Dodia, an economist and director of Action Group Zambia, told The Associated Press that while analysts say Zambia shouldn't take on any more debt, "there are infrastructure projects that we need done to change the trajectory of the Zambian economy." "If we had a widespread railway system, that would ensure that the cost of transport in Zambia would be brought down to 15% of the current



US Treasury Secretary Janet Yellen

cost — right now we're dependent on buses and trucking — that would lower the cost of doing business." Also Monday, Yellen toured Mylan Laboratories, a packaging subsidiary of American pharmaceutical manufacturer Viatris. The lab opened in 2010 with a \$10 million U.S. investment and packages drugs that treat malaria and HIV in the country and region.

Still, Yellen insists her trip is not about competition with China.

"We want to deepen our engagement," she said. "We see a rapidly growing young population that needs opportunities and economic growth." "We have many government programs and international programs that are oriented to help efforts to build infrastructure," she said. "And when we do that, we want to make sure that we don't create the same problems that Chinese investment has sometimes created here." Yellen said the U.S. wants to invest in companies with contracts that "have transparency, that we have projects that really bring broad-based benefits to the African people and don't leave a legacy of unsustainable debt." She also made a stop at the Zambia National Public Health Institute, considered a model of its kind.

Yellen started her 10-day African trip in Senegal, where she visited a onetime slave-trading post, and will visit South Africa.

The Biden administration's tour of Africa continues, as the U.S. ambassador to the United Nations, Linda Thomas-Greenfield, announced that she would be the second Cabinet member heading to Africa — to Ghana, Mozambique and Kenya starting Jan. 25 — as part of President Joe Biden's big push to engage with the world's second-largest continent.

'AA credit rating reflects Qatar's maintenance of strong creditworthiness'

Continued from page 8

He added that the solidity of the Qatari economy was confirmed by international rating agencies, with S&P Global elevating the State of Qatar's 2022 credit rate from -AA to AA, and Moody's rating upgraded from stable to positive.

In the same context, Fitch and Capital Intelligence agencies continued to rate Qatar's sovereign rating at the level of AA with a stable outlook, which reflects Qatar's maintenance of strong creditworthiness, especially since the Qatari economy succeeded over the years. Last year, it maintained positive growth levels for the overall economy of the country, in addition to the success of companies and financial institutions listed on the Qatar Stock Exchange in overcoming internal and external challenges and turmoil in the global economic system and achieving strong financial returns for 2022.

Mansoori said that the most prominent strengths on which these strong ratings are based are the high GDP per capita, huge hydrocarbon reserves, the growth of global demand for oil and gas, the high net asset value, the private sectors contribution to economic activities, and the efficient monetary and fiscal policies, which confirms the strength, flexibility, and ability of the local economy to face economic challenges and fluctuations, in addition to the financial stability witnessed by the state, which increases the country's attractiveness to foreign investments, and the strengthening of the economic methodology based on completing the role of legislation and law in economic, commercial and financial prac-

tics, as well as the positive partnership between the public and private sectors.

This contributed to raising the level of the country's economic performance and the attractiveness of international financial institutions' dealings with the State of Qatar to increase the professionalism and positivity of the economy.

Speaking to the conference, GCI representative Ahmed Tartir stressed the importance of assessing the geographical risks of countries in terms of financial crimes and anti-money laundering international standards, explaining the Financial Action Task Force (FATF) and the mutual evaluation process carried out by member countries.

He stressed the need for the concerned authorities in countries, especially regulators such as central banks and securities authorities, to enact legislation that protects the state financial system from exposure to the consequences of financial crimes, and that these legislations are commensurate with the sector they regulate, and the importance of involving the private sector in the analysis process to reach legislation that is compatible with international standards and at the same time in line with the requirements of the sectors subject to regulation in addition to the procedures that must be taken by banks and financial institutions to comply with international standards.

Tartir focused on the risk classification mechanism for the countries to which each institution's clients belong, explaining the indicators that must be taken into account and the importance of this be-

ing part of a comprehensive mechanism for assessing the overall risks of clients. He also called for considering the FATF classification factors regarding customer risks, products, and delivery channels, in addition to the evaluation methodology, the report issuance process for the country being evaluated, and the period for correcting errors.

S&P Global representative Benjamin Young affirmed that the State of Qatar has obtained a strong credit rating at AA, pointing out that the rating criteria are based on basic pillars ranging from 1 to 6, with each having grades and economic and financial elements and percentages.

Moody's representative Nitish Bhojnarwal highlighted Qatar's strong rating and positive outlook, indicating that the strength of the Qatari economy is reflected in the strength of the banking sector, which operates in a solid economic environment. He hailed the banking system in Qatar as one of the strongest in the Gulf.

The one-day conference discussed several axes on the work of rating companies and their experience at the level of countries and companies, the criteria used in rating operations, the value of rating at the level of credit and investment, the importance of rating in light of financial and economic crises, the role of credit rating agencies in evaluating financial values, and its impact on the functioning of the financial markets. It highlighted the strength of the Qatari economy and its attractiveness for investment given its strong credit rating.

QT Economy & Business

Is tipping getting out of control? Many consumers say yes

As more businesses adopt digital payment methods, customers are being prompted to leave a gratuity – many times as high as 30% – at places they normally wouldn't

AGENCIES

ACROSS the country, there's a silent frustration brewing about an age-old practice that many say is getting out of hand: tipping.

Some fed-up consumers are posting rants on social media complaining about tip requests at drive-thrus, while others say they're tired of being asked to leave a gratuity for a muffin or a simple cup of coffee at their neighbourhood bakery. What's next, they wonder -- are we going to be tipping our mail carriers and dentists, too? As more businesses adopt digital payment methods, customers are automatically being prompted to leave a gratuity – many times as high as 30% – at places they normally wouldn't. And some say it has become more frustrating as the price of items has skyrocketed due to inflation, which eased to 6.5% in December but still remains painfully high.

"Suddenly, these screens are at every establishment we encounter. They're popping up online as well for online orders. And I fear that there is no end," said etiquette expert Thomas Farley, who considers the whole thing somewhat of "an invasion." Unlike tip jars that shoppers can easily ignore if they don't have spare change, experts say the digital requests can produce social pressure and are more difficult to bypass. And your generosity, or lack thereof, can be laid bare for anyone close enough to glance at the screen – including the workers themselves.

Dylan Schenker is one of them. The 38-year-old earns about \$400 a month in tips, which provides a helpful supplement to his \$15 hourly wage as a barista at Philadelphia café located inside a restaurant. Most of those tips come from consumers who order coffee drinks or interact with the café for other things, such as carry-out orders. The gratuity helps cover his monthly rent and eases some of his burdens while he attends graduate school and juggles his job. Schenker says it's hard to sympathize with consumers who are able to afford pricey coffee drinks but complain about tipping. And he often feels demoralized when people don't leave behind anything extra – especially if they're regulars.



X-Golf manager J.W. Park, left, helps Ashley Moreno to check out at X-Golf indoor golf in Glenview, Ill., Friday, Jan. 20, 2023. Tipping fatigue, it seems, is swarming America as more businesses adopt digital payment methods that automatically prompts customers to leave a gratuity.

"Tipping is about making sure the people who are performing that service for you are getting paid what they're owed," said Schenker, who's been working in the service industry for roughly 18 years.

Traditionally, consumers have taken pride in being good tipsters at places like restaurants, which typically pay their workers lower than the minimum wage in expectation they'll make up the difference in tips. But academics who study the topic say many consumers are now feeling irritated by automatic tip requests at coffee shops and other counter service eateries where tipping has not typically been expected, workers make at least the minimum wage and service is usually limited.

"People do not like unsolicited advice," said Ismail Karabas, a marketing professor at Murray State University who studies tipping. "They don't like to be asked for things, especially at the wrong time." Some of the requests can also

come from odd places. Clarissa Moore, a 35-year-old who works as a supervisor at a utility company in Pennsylvania, said even her mortgage company has been asking for tips lately. Typically, she's happy to leave a gratuity at restaurants, and sometimes at coffee shops and other fast-food places when the service is good. But, Moore said she believes consumers shouldn't be asked to tip nearly everywhere they go – and it shouldn't be something that's expected of them.

"It makes you feel bad. You feel like you have to do it because they're asking you to do it," she said. "But then you have to think about the position that puts people in. They're paying for something that they really don't want to pay for, or they're tipping when they really don't want to tip – or can't afford to tip – because they don't want to feel bad." Digital payment methods have been around for a number of years, though experts say the pandemic has accelerated the trend towards

more tipping. Michael Lynn, a consumer behavior professor at Cornell University, said consumers were more generous with tips during the early days of the pandemic in an effort to show support for restaurants and other businesses that were hard hit by COVID-19. Many people genuinely wanted to help out and felt sympathetic to workers who held jobs that put them more at risk of catching the virus, Lynn said.

Tips at full-service restaurants grew by 25.3% in the third quarter of 2022, while gratuities at quick or counter service restaurants went up 16.7% compared to the same time in 2021, according to Square, one of the biggest companies operating digital payment methods. Data provided by the company shows continuous growth for the same period since 2019.

As tip requests have become more common, some businesses are advertising it in their job postings to lure in more workers even though the extra money isn't always guar-

anteed. In December, Starbucks rolled out a new tipping option on credit and debit card transactions at its stores, something a group organizing the company's hourly workers had called for. Since then, a Starbucks spokesperson said nearly half of credit and debit card transactions have included a gratuity, which - along with tips received through cash and the Starbucks app - are distributed based on the number of hours a barista worked on the days the tips were received.

Karabas, the Murray State professor, says some customers, like those who've worked in the service industry in the past, want to tip workers at quick service businesses and wouldn't be irritated by the automatic requests. But for others, research shows they might be less likely to come back to a particular business if they are feeling irritated by the requests, he said.

The final tab might also impact how customers react. Karabas said in the research

he did with other academics, they manipulated the payment amounts and found that when the check was high, consumers no longer felt as irritated by the tip requests. That suggests the best time for a coffee shop to ask for that 20% tip, for example, might be on four or five orders of coffee, not a small cup that costs \$4.

Some consumers might continue to shrug off the tip requests regardless of the amount.

"If you work for a company, it's that company's job to pay you for doing work for them," said Mike Janavey, a footwear and clothing designer who lives in New York City. "They're not supposed to be jouncing consumers that are already spending money there to pay their employees." Schenker, the Philadelphia barista, agrees – to a certain extent.

"The onus should absolutely be on the owners, but that doesn't change overnight," he said. "And this is the best thing we have right now."

We help investors, give them additional tools: CEO of QCSD

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CEO of Qatar Central Securities Depository (QCSD) Sheikh Saif bin Abdullah Al Thani confirmed that QCSD is working on the application of lending and borrowing to help investors in Qatar and give them additional options and tools.

In a speech on Monday, before the International Credit Rating Agencies Conference organized by the Qatar Association of Certified Public Accountants (QCPA), His Excellency said that the first thing QCSD worked on was the movable funds register aimed at helping small and medium-sized enterprises to benefit from the tools, equipment, and goods they have to obtain financing to develop their business.

Also, he indicated that QCSD has come a long way in preparing the central clearing, which will increase the volume of transparency in the market, reduce risks and give investors the ability to raise the rating of the market as a whole, stressing QCSD's keenness to develop the applicable plan and strengthen it further during the next stage.

CEO of QCSD praised the state's plan to achieve a distinguished renaissance in many sectors and several economic, social and cultural aspects, pointing to the development of financial markets under the supervision of the Qatar Central Bank, with the participation of various entities, led by QCSD, which worked to develop the facilities and tools used in the market and bring them to the levels necessary to achieve the planned goals.

