The Impact of the Economic Blockade on Trade in Qatar

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Resolutions:
- Reorienting supply chains through Oman
- Two new shipping services now run three times a week each between Qatar’s Hamad Port and the Omani ports of Sohar in the north and Salalah in the south to replace the previous hub that was Jebel Ali in the UAE. Oman benefits from this as cargo volume in its port has gone up 30% carrying goods bound for Qatar.
- Replacing goods imported through blockading countries by goods from Turkey and Iran.
- Formal complaint brought to WTO, saying that the blockade is “a clear violation of the provisions and conventions of international trade law” and that it defies the core values of the WTO.
- Launching of a new cargo route from Turkey-Iran-Qatar which would focus mostly on food-items that is expected to reduce shipping costs by 80% in comparison to air freight. The land route between Turkey and Qatar previously took 14 days, while the new route was able to lessen this duration to at most 3 days.
- Neighbouring countries such as Russia and Pakistan are also expected to benefit from this route, making it easier and less expensive to export their goods to Qatar.
- Opening of ports Bender Abbas and Chabahar in Iran for Indian Goods to reach Doha as a replacement to Jebel Ali in Dubai.
- Imports in June were valued at 5.9 billion QAR, which shows a 40% decline from the same month in 2016.
- The drop in imports continued in July with 35% from their year to year level.
- Imports rebounded in the month of August with only 7.8% difference from last year, it is considered a major recovery from the past two months.

Before the blockage:
UAE were one of the major partner country to Qatar. As in march 2017 the share of our exports with UAE was 7.1% and our imports from UAE was 9.2%. However, after March UAE was not a major partner aside from exports, Qatar’s imports from UAE kept going until June with a share of 8.4% which was during the blockade agreement.

After the blockage:
during June the major share of export was going mostly to South Korea’s with a share of 19.3% and in July was 17%. But, during August the major export partner was Japan with a share of 15.9%, probably signaling that Qatar has expanded the number of countries that it exports to.

New major partners:
Singapore was a new major export partner their share was 11.2% during March. And from the majors imports share was gone to Italy as they became a new major partner during June with the share of 7.5%.