

Setting up a subsidiary is one of the most challenging parts of an expansion. Failing to meet all of Qatar's subsidiary laws could lead to expensive fines or delays plus set back your entire operations schedule. However, it's hard to focus on learning how to set up a Qatar subsidiary while you're continuing to run your parent company and trying to hire new employees, figure out a payroll option, and curating a benefits plan.

Globalization Partners will work to make your expansion faster through Qatar subsidiary outsourcing. As a global PEO, we have subsidiaries across the world that you can use to start working in as little as a day or two. We act as the Employer of Record, so you won't have to learn all of Qatar's subsidiary laws or worry about the risk of compliance.

How to Set up a Qatar Subsidiary

Qatar often restricts foreign investments, which can impact how you set up a Qatar subsidiary. Incorporated entities need at least 51% of shareholdings by Qatari nationals, and the country puts a strong emphasis on hiring citizens over expatriates when possible. Even though the country is small, different cities and regions often have their own costs, availability, and Qatar subsidiary laws. We recommend working with a business advisor, lawyer, accountant, and other appropriate professionals to find the best location for your subsidiary.

Arabic is the country's official language, and Qatari Arabic is the local dialect. While many individuals speak English as a second language, there's also a growing population of French-speaking individuals. If you don't have anyone in your company who speaks these different dialects, you should hire a translator or consultant.

Qatar's subsidiary laws also depend on the type of entity you incorporate as. You can choose between a limited liability company (LLC), partnership, unincorporated joint venture, or branch/representative office. Most companies set up their subsidiary as an LLC because it protects their investment and gives them the most freedom to work in Qatar.

The steps to setting up your Qatar subsidiary as an LLC include:

- Reserving a company name
- Opening a local bank account and depositing minimum capital
- Authenticating the articles of association
- Registering with the commercial registry and the Chamber of Commerce and Industry
- Obtaining trade and signage licenses from the Municipality of Doha
- Registering for taxes and getting a Tax Identification Number (TIN)
- Creating a company seal

Qatar Subsidiary Laws

LLCs are an attractive subsidiary option because each shareholder's liability is limited to the capital they invest. That said, you'll still need to follow Qatar's subsidiary laws, which stipulate that you must have between two and 50 founding members. Previously, companies needed 200,000 QAR as minimum capital, but the current Commercial Companies Law states that they do not need any minimum capital.

Benefits of Establishing a Subsidiary

Going through the Qatar subsidiary setup process will allow you to start working in the country legally. Incorporating as an LLC also protects the parent company from any litigation or other liability, and your subsidiary can operate somewhat independently.

Choosing Qatar subsidiary outsourcing will give you more benefits because you won't have to set up your own subsidiary. You can use our existing subsidiary to start working, and we'll take care of hiring your employees, adding them to our payroll, and doling out compensation and benefits. The risk will fall on our shoulders, not yours, so you can operate without worrying about Qatar's subsidiary laws.

Everything You Need for the Qatar Subsidiary Setup Process

You'll need a significant amount of time and money to complete the Qatar subsidiary setup process. Even if you complete every step correctly, it could still take a few months before you're even ready to hire an employee. Plus, you'll need to hire an expert in Qatar's subsidiary laws to help you stay compliant, which could mean paying a lawyer, accountant, or consultant.

Many company executives have to travel back and forth to Qatar to establish an entity. Either clear your own schedule or work with someone else in your company who has the time to help set up the subsidiary.

Choose Qatar Subsidiary Outsourcing With Globalization Partners

Globalization Partners wants to help you expand across borders successfully. Contact us today for more information about Qatar subsidiary outsourcing.