



A CEBR REPORT

THE ECONOMIC CONTRIBUTION OF QATARI INVESTMENT IN THE UK

April 2025

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THE ECONOMIC CONTRIBUTION
OF QATARI INVESTMENT
IN THE UK



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London, April 2025

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Executive summary

This report, prepared by the Centre for Economics and Business Research (Cebr), examines the economic impact of Qatari investments in the UK. It analyses the economic footprint of UK-based companies that have received Qatari investment over the 15-year period from 2008 to 2022. The analysis is limited to foreign direct investment (FDI) in companies where Qatari entities own at least 10% of the equity share capital.

In addition to examining Qatari FDI, the report also covers the impact of bilateral trade between the UK and Qatar, as well as the contributions of Qatari students in the UK, with these sections featuring more recent data up to 2023.

OPERATIONAL IMPACTS BY QATARI-OWNED BUSINESSES

We estimate the aggregate footprint supported by operational Qatari-owned businesses as the sum of the direct contribution of the day-to-day operations of the business, the contribution indirectly supported when Qatari-owned firms make purchases from their suppliers, and the impact induced when employees of the Qatari-owned and supply-chain companies spend their earnings in the wider economy.

- From 2008 to 2022, Qatari-owned businesses in the United Kingdom supported a cumulative aggregate revenue impact of **£1.3 trillion** across the entire UK economy. In 2022 alone, this stood at £127.2 billion, reflecting a broad range of investments across diversified assets. For context, this turnover is nearly on par with the entire turnover of the UK's food and beverages manufacturing sector, which stood at £128.6 billion in 2022. This shows a level of impact comparable to one of the UK's core manufacturing sectors.
- These investments also contributed a **cumulative aggregate footprint of £524.3 billion in Gross Value Added (GVA)**. In 2022, this stood at £50.6 billion, constituting approximately **0.6% of the UK's total GVA in 2022**. To put this into perspective, this GVA contribution exceeds the entire GVA of the UK's food and beverage services sector—which includes restaurants, pubs, cafes, and bars—at £46 billion in 2022. This highlights the considerable economic impact of Qatari investments, demonstrating a contribution on par with one of the UK's substantial service industries.
- Qatari-owned businesses **supported an aggregate 611,171 full-time-equivalent (FTE) jobs as of 2022**. This represents approximately one in every 44 FTE roles within the UK in 2022, highlighting the broad employment impact across multiple sectors. In 2022 alone, these businesses supported £26.8 billion in aggregate wages, salaries, and benefits for employees; cumulatively, this figure stands at £281.8 billion since 2008.
- Although the COVID-19 pandemic affected the aggregate impacts of these businesses, **the aggregate turnover, GVA and employee compensation impacts had surpassed pre-pandemic levels by 2022**.

- ▶ Qatari-owned businesses contribute significantly to regions across the UK, with 53% of turnover and 34% of GVA generated outside London, demonstrating the broad geographic reach of these investments.
- ▶ Employment impacts are evenly distributed, with one out of every two jobs created by Qatari-owned businesses located outside London, supporting job creation nationwide. The employment multiplier effect is also slightly higher outside London (3.79 compared to 3.61 in London), highlighting the strong ripple effects of Qatari investments in regional economies.

EXCHEQUER CONTRIBUTIONS

- ▶ **Qatari-owned businesses contributed £3.4 billion in taxes** to the UK Exchequer in 2022.¹
- ▶ Of these total tax contributions, **Qatari-owned retail trade businesses contributed £2.2 billion in taxes**, more than companies in all other sectors combined.

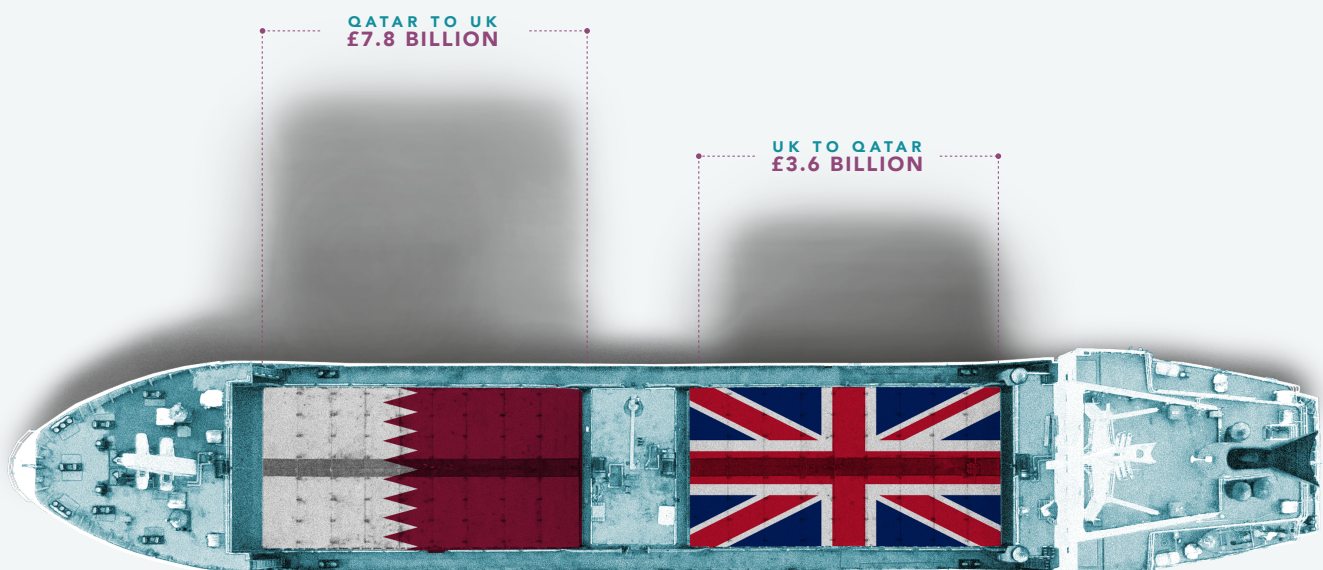
CONSTRUCTION IMPACTS BY QATARI-OWNED BUSINESSES²

- ▶ From 2014 to 2022, construction projects financed by Qatari-owned businesses **generated a cumulative direct business revenue of £5.1 billion**, with £644 million contributed in 2022 alone. When accounting for direct, indirect, and induced impacts, the cumulative impact of these projects rises to £12.3 billion since 2014, underscoring the extensive economic ripple effects within the UK economy.
- ▶ In total, these construction projects have **contributed an aggregate Gross Value Added (GVA) of £5.3 billion**, supported 70,673 FTE job years, and provided £2.6 billion in employee compensation since 2014.
- ▶ Over this period, direct construction impacts—measured by turnover, GVA, employment, and employee compensation—have seen substantial growth, with direct revenue increasing at an average rate of 11% annually.
- ▶ Indirect and induced impacts have also consistently risen, reflecting the growing multiplier effects of construction projects across the UK economy. In the case of employment, for instance, we found that each job directly arising from these construction projects generates nearly **three additional jobs** in other sectors.
- ▶ These impacts are not all-encompassing as there are other construction projects by Qatari-owned entities that have not been captured due to unavailable data.

¹ | Due to limitations in the data made available by the ONS, we have restricted our analysis to the period between 2016 and 2022, which still allows us to craft a robust time-series. For similar reasons, we used data on VAT and Corporation Tax liabilities as a proxy for receipts for each. This proxy has its limitations, since VAT liabilities, for instance, can be negative when businesses pay more VAT in their purchases than they charge on their output, whereas VAT receipts cannot. Nevertheless, it is still the most pragmatic measure for approximating these tax receipts.

² | Based on available data.

BILATERAL EXPORTS IN 2022



BILATERAL TRADE WITH QATAR

- ▶ Qatar has become an increasingly important export market for the UK, ranking as the UK's 23rd largest export destination overall as of 2023. In 2023, the **UK exported goods and services to Qatar with a total value of £3.9 billion**, with the largest export category being power-generating machinery.
- ▶ We also calculated the upstream impacts of UK exports, and found that, accounting for supply chain effects, **direct exports of £3.6 billion to Qatar in 2022 supported an aggregate turnover of £7.4 billion** in the UK economy in 2022. In terms of contribution to GDP, these exports supported an aggregate GVA of **£2.3 billion**.
- ▶ Employment, too, was greatly supported by exports to Qatar, which generated **20,185 FTE jobs** directly, and **46,741 jobs** in aggregate, that is, across UK supply chains as well as in the economy at large.
- ▶ **In 2022, UK imports from Qatar reached their historical peak, at £7.8 billion.** In the face of geopolitical tensions due to the Russia-Ukraine conflict, Qatar, as had been the case in the past, provided critical supply of liquefied natural gas (LNG).
- ▶ We further evaluated the "downstream impacts" of Qatari gas imports, or the value generated as this imported gas flows through UK industries. In 2022, UK imports of Qatari gas facilitated a downstream turnover of **£8.2 billion**. The use of this import supported £2.5 billion in downstream GVA, and supported approximately **27,700 full-time equivalent (FTE) jobs** across various sectors using Qatari gas.

CONTRIBUTION OF QATARI STUDENTS

- ▶ Over the 2018 to 2023 period, **Qatari students contributed £1.1 billion to the UK economy** through their expenditure on living costs, course-related costs (including fees), and housing costs. In the 2022/23 academic year, they contributed an estimated £223 million.

CARD SPENDING AND REMITTANCES

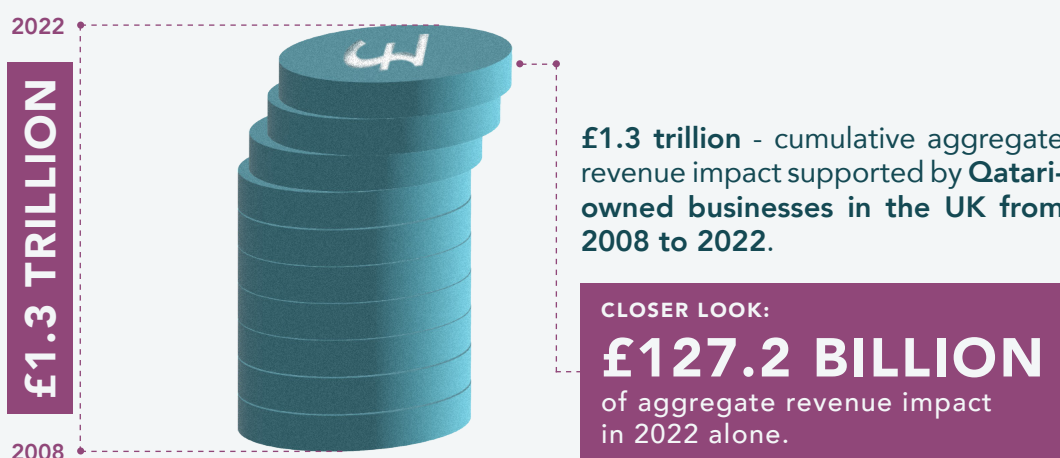
- ▶ Qatar Central Bank (QCB) statistics highlight the strong financial ties between the UK and Qatar, with Qatari-issued card transactions in the UK totalling **£966.0 million** in 2023 from over **8.5 million transactions**, reflecting significant consumer spending.
- ▶ In parallel, remittances from Qatar to the UK reached **£303.3 million**, sent by nearly **15,000 workers**, underscoring the economic presence of UK expatriates in Qatar and the role of remittances in supporting investment, savings, and consumption in the UK.

LOOKING AHEAD

- ▶ Qatar has committed up to **£10 billion** over five years (starting in 2022) to invest in key UK sectors such as fintech, zero-emission vehicles, life sciences, and cybersecurity. This initiative is expected to drive economic growth, create high-quality jobs, and strengthen the bilateral relationship between the two countries.
- ▶ Qatari investments are set to enhance the UK's capabilities in emerging industries and support its decarbonisation efforts. This includes investments in the green economy and low-carbon technologies like the Rolls Royce-led consortium developing small modular reactors, thereby bolstering the UK's energy security amid global supply disruptions.
- ▶ Qatar's diverse UK portfolio includes major real estate developments, such as the upcoming Chancery Rosewood hotel in Mayfair (opening in 2025) and the redevelopment of 8 Canada Square into a sustainable mixed-use destination (beginning in 2027). Additionally, Qatar Investment Authority's (QIA) **£500 million** investment in Severn Trent aims to enhance environmental performance and create **7,000 jobs** across the Midlands, demonstrating Qatar's sustained commitment to supporting regional development, innovation, and infrastructure enhancement in the UK.
- ▶ Qatar has committed **£1 billion** to a UK-Qatar clean energy partnership, supporting climate technology initiatives, including advancements by Rolls-Royce, and fostering innovation hubs in both nations. This landmark agreement aims to create thousands of highly skilled jobs and boost the UK's position as a clean energy superpower.

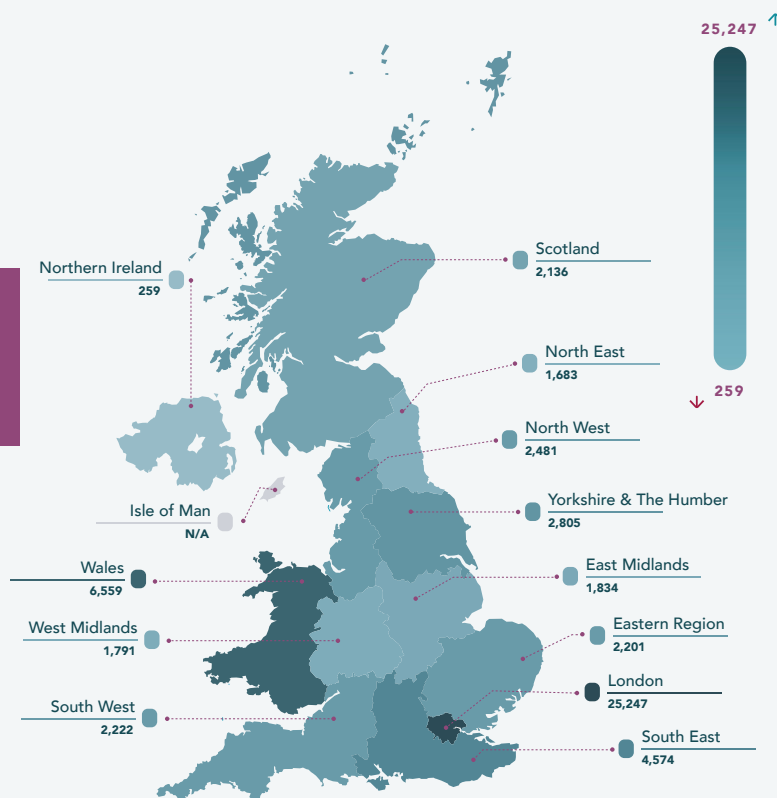
REPORT AT A GLANCE

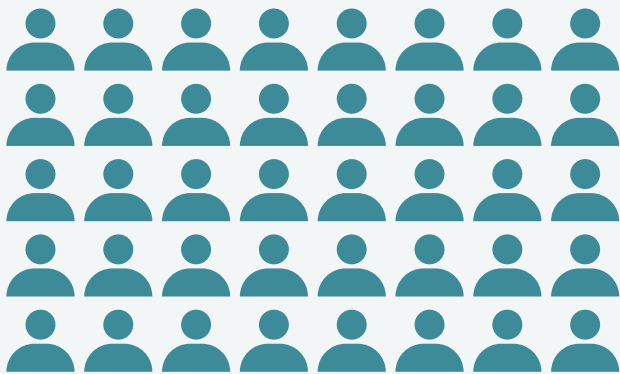
This page presents key findings from the report, visually highlighting the economic impact of Qatari investments in the UK and its broader implications.



EXTENSIVE ECONOMIC IMPACT ACROSS ALL UK REGIONS

Over half of turnover from **Qatari-owned businesses** in the UK is generated outside of London.





611,171 FULL-TIME-EQUIVALENT (FTE) JOBS

supported by Qatari-owned businesses as of 2022.

This represents approximately **one** in every 44 FTE roles within the UK in 2022.



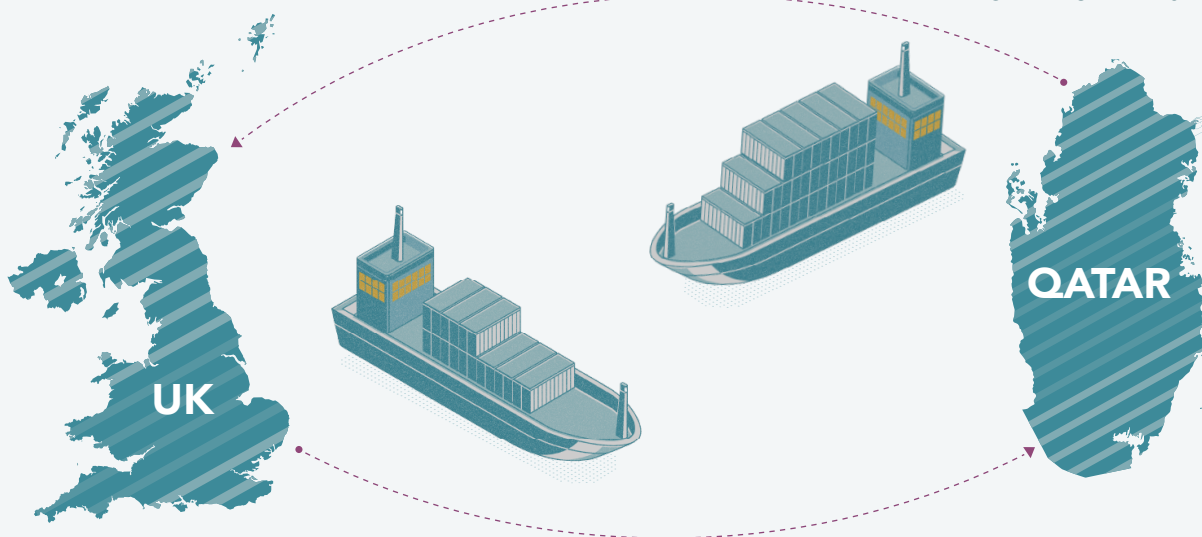
£3.4 BILLION

contribution in taxes from Qatari-owned businesses to the UK Exchequer in 2022.



£7.8 BILLION

EXPORTS FROM QATAR TO THE UK IN 2022



£3.6 BILLION

EXPORTS FROM THE UK TO QATAR IN 2022



01 | INTRODUCTION

1.1 Background

This is a report by the Centre of Economics and Business Research (Cebr) on the economic impact of Qatari investment in the UK.

Qatar and the UK enjoy a longstanding and dynamic trade and investment relationship that has deepened in recent years. A key milestone in this partnership was the Qatar-UK Strategic Investment Partnership signed in May 2022, through which Qatar committed up to £10 billion over five years to strategic sectors in the UK, including fintech, life sciences, and cybersecurity³. This dynamic relationship was further strengthened at the third UK-Qatar Joint Economic and Trade Committee (JETCO) meeting in August 2022, where UK and Qatari ministers signed two new agreements to expand trade and facilitate market entry for British businesses in Qatar. These agreements included a Memorandum of Understanding (MoU) with Qatar's Investment Promotion Agency (Invest Qatar), designed to support UK companies entering the Qatari market, and another with Qatar Development Bank to enhance export financing and insurance for projects involving both UK and Qatari goods and services. Qatar offers UK investors full foreign ownership in all sectors, favourable tax arrangements, and streamlined business setup in free trade zones. These incentives, combined with strong UK-Qatar ties and a focus on sustainability and innovation, make Qatar an attractive destination for UK businesses.

As of 30 September 2024, Qatari banks' exposure to the UK totalled approximately £4.8 billion, with investments and credit facilities accounting for a significant portion of this exposure. Additionally, the Qatar Central Bank (QCB) holds substantial investments in the UK, where the British pound (GBP) is the fifth-largest reserve currency in QCB's foreign reserve portfolio, amounting to £1.63 billion (approximately 2.87% of its total foreign currency reserves). QCB has also maintained a gold custody account with the Bank of England for decades. As of 3 November 2024, QCB's total investment in the UK stands at approximately £7.8 billion, including £6.9 billion in gold custody and £240.9 million in UK Treasury Notes.

Furthermore, QCB statistics on financial exchanges between the United Kingdom and Qatar highlight the significant scale of economic interactions between the two countries. The total value of Qatari-issued card transactions in the UK reached £966.0 million (QAR 4.4 billion) in 2023 from

more than 8.5 million transactions, demonstrating the strong spending activity of Qatari consumers in the UK. In parallel, workers' remittances from Qatar to the UK amounted to £303.3 million (QAR 1.4 billion) in 2023, sent by almost 15,000 workers. The steady volume of remittances highlights the presence of a significant UK workforce in Qatar. Remittances often facilitate investments, savings, and consumption in the UK, further reinforcing bilateral financial engagement.

This report, commissioned by The State of Qatar's International Media Office (IMO), provides a comprehensive analysis of Qatari investments in the UK and their economic impact. It examines the scale and scope of these investments, their contributions to various sectors, and their role in fostering economic growth and job creation across the UK.

1.2 Scope of the report

This report assesses the economic footprint of UK-based firms that have received investments from Qatari entities over the past 15 years, focusing on data from 2008 to 2022, with 2022 being the latest year for which comprehensive data is available. Capturing the full scope and economic significance of Qatari investment required 15 years of detailed data collection and analysis, which led to a delayed release to ensure the report reflects the most complete set of insights. Our analysis is limited to Foreign Direct Investment (FDI), which refers to cross-border investments intended to establish a lasting interest in an enterprise, characterised by an "effective voice" in management—defined as ownership of 10% or more of the enterprise's equity share capital. We limit our analysis to FDI rather than including other forms of portfolio investment, as FDI reflects a long-term commitment to the host country's economy, typically involving greater involvement in management and operational decisions. Unlike portfolio investments, which are primarily financial holdings without direct influence over business operations, FDI enables investors to actively participate in and shape the economic landscape, thus creating more substantial and measurable impacts on employment, productivity, and local economic growth. Therefore, it is important to note that the impacts estimated here do not capture the full extent of Qatar's investment activities in the UK, as portfolio investments and other financial holdings have been excluded from this analysis.

This report measures two main impacts: the operational contributions of companies with significant Qatari ownership, measured in terms of key indicators such as turnover, gross value added (GVA), and employment supported through day-to-day activities, as well as the effects on related supply chains. In addition, the report assesses the economic impact from the construction phases of their various property projects, presented under construction impacts. These are discussed in more detail in the next section on our methodology. However, it is important to note that data was available only for a select number of projects, so the figures presented may not fully capture the entire impact of Qatari-financed construction activities. Additionally, we examine the economic benefits stemming from bilateral trade between the UK and Qatar, highlighting the economic activity supported by exports and imports. The report also explores the contributions of international students from Qatar to the UK economy.

1.3 Report overview

The remainder of the report is structured as follows:

- ▶ **Section 2: Methodology**
Explains our modelling framework, the sources used, any assumptions made and how the data was utilised.
- ▶ **Section 3: Operational impacts**
The economic benefits generated from the day-to-day running of Qatari-owned businesses, including supply chain impacts and contributions to the Exchequer.
- ▶ **Section 4: Construction impacts of select projects**
The impacts of the 'build' or 'construction' phase of projects that have been financed by Qatari investment.
- ▶ **Section 5: Regional impact of Qatari-owned businesses**
The direct and aggregate impacts broken down by region.
- ▶ **Section 6: Economic impact of bilateral trade with Qatar**
The economic contribution of exports and imports, including supply chain effects.
- ▶ **Section 7: Economic contribution of Qatari students**
The total expenditure directly generated by Qatari students in the UK.
- ▶ **Section 8: Looking ahead**
Future outlook for Qatari investments.



02 | METHODOLOGY

2.1 Conceptual framing

The businesses benefitting from Qatari investment support different layers of economic impact, which we break down as follows:

- 1 Direct impacts:** The contributions made to the economy as a direct result of spending in the construction phase or activities from the day-to-day operation of projects supported by Qatari investment.
- 2 Indirect impacts:** The economic activity along the supply chains supporting the direct activities that are catalysed by Qatari investments. This focuses on the economic activity supported when goods and services are purchased from UK suppliers. This impact layer looks at the knock-on impact of upstream activity to show the wider impact of the investments on the UK economy. We use our in-house Input-Output modelling framework to show how the impacts of this expenditure work their way through the rest of the economy.
- 3 Induced impacts:** Economic activity supported when direct and indirect (supply chain) employees spend their earnings on goods and services in the wider UK economy, thus facilitating induced impacts that provide further layers of support.

These impact layers can be summarised as follows:



Our modelling estimates the above economic contributions measured by the following key variables:

- 1 Turnover:** The value of business turnover supported in the UK economy through the described multiplier impacts.
- 2 Gross Value Added (GVA):** Contributions to UK GDP generated by Qatari investment, directly and through indirect and induced multiplier impacts⁴.

⁴ | GVA, or gross value added, is a measure of the value from production in the national accounts and can be thought of as the value of industrial output less intermediate consumption. That is, the value of what is produced less the value of the intermediate goods and services used as inputs to produce it. GVA and GDP can be thought of, in this context, as interchangeable, with the distinction being largely only important to economists and national statisticians.

- 3 **Employment:** Number of jobs supported by Qatari investment, including direct, indirect and induced jobs through multiplier impacts. We also look at Employee compensation, i.e., the total value of remuneration of employees generated.
- 4 **Contributions to the Exchequer:** This measures the total tax revenue received by the government: it is composed of personal income taxes, National Insurance contributions, Corporation Tax and VAT.

2.2 Operational impacts

This section estimates the recurring economic benefits generated by the companies in scope, measured over the analysis period (2008–2022). Our initial company list was based on data from a third-party provider, FDI Markets, which tracked FDI projects from Qatar in the UK. This list was expanded with input from Qatari entities and Cebr’s own desk research, resulting in a comprehensive database of available Qatari investments. The investments in scope include: Al Rayan Bank; Katara Hospitality properties such as the JW Marriott Grosvenor House, The Adria, and The Savoy; Maybourne Hotels; British Airways; Qatari Diar projects including Chelsea Barracks, Get Living, and Southbank Place; Canary Wharf Group; Harrods; FGP Topco (Heathrow Airport); the London Stock Exchange Group (LSEG); J Sainsbury; Starling Bank; Intercontinental Park Lane; The Ritz Hotel; South Hook Gas Terminal; and Real Estate Management UK Limited, notably managing The Shard.

We analysed the management accounts of these entities via publicly available sources, such as Companies House, to derive the direct operational impacts. We calculate the GVA of Qatari-owned businesses by adding together their operating profits, depreciation and employee compensation. Operating profits represent the value that a business’s assets contribute to the production process. Employee compensation, encompassing the wages, salaries, and benefits paid to employees, is a direct measure of the value created by employees’ labour in the production process.

To estimate indirect and induced impacts, we applied our bespoke Input-Output models tailored for the UK economy. We conformed the operational data to the national accounting framework and established an explicit role for the entities being considered within our input-output models. We assumed the supply chain of the entities followed the average distribution as the rest of the firms within their respective sector in which they operate. For each year from 2008 to 2022, we generated customised multipliers for the companies in scope, reflecting the total economic footprint based on direct contributions. For example, if the GVA multiplier turned out to be 2.5, this would translate as “for every £1 directly generated by Qatari-owned companies, a further £1.50 is supported elsewhere in the economy, producing an aggregate GVA supported of £2.50”. We have calculated these multipliers for each year based on the direct economic impacts calculated above. By combining these multipliers with the calculated direct impacts, we form our estimates for the total footprint supported by Qatari-owned companies.

EXCHEQUER CONTRIBUTIONS

To estimate their tax contributions, we have included the VAT, Corporation Tax, and Employer's National Insurance Contributions (NICs) paid by them, as well as NICs and Income Tax paid by employees of Qatari-owned businesses. Due to limitations in the data made available by the ONS, we have restricted our analysis to the period between 2016 and 2022, which still allows us to craft a robust time-series. For similar reasons, we used data on VAT and Corporation Tax liabilities as a proxy for receipts for each. This proxy has its limitations, since VAT liabilities, for instance, can be negative when businesses pay more VAT in their purchases than they charge on their output, whereas VAT receipts cannot. Nevertheless, it is still the most pragmatic measure for approximating these tax receipts.

2.3 Qatari entities' construction impacts

We received data from Qatari entities detailing development and construction costs for various projects since 2014. These costs are assumed to represent the direct turnover generated in the construction industry as a result of these projects. To estimate the direct Gross Value Added supported across the UK, we multiplied the turnover by the GVA/turnover ratio of the construction industry, as sourced from the Annual Business Survey by the ONS. Similarly, we used full-time equivalent (FTE) employment/turnover and employee compensation/turnover ratios to calculate the direct employment and compensation of employees involved in these construction stages.

For indirect and induced impacts, we employed our in-house Input-Output models, which map out the structure of industry supply chains, quantifying economic activity along these chains. The IO models generated multipliers for the four main economic variables (turnover, GVA, employment, and employee compensation), which, when applied to the direct impacts, allowed us to estimate the broader economic footprint of these construction projects.

2.4 Regional impacts

After computing the national direct impacts, we allocated these contributions across regions by identifying where each company's activities primarily occur. For instance, Sainsbury's impacts were allocated based on the regional distribution of its stores, with the assumption that activity is proportional to store distribution.

Beyond national multipliers, we also calculated regional multipliers specific to each UK region. These regional multipliers account for the "within-region" impacts, helping estimate the proportion of indirect and induced impacts that remain local.

For instance, they allow us to estimate the proportion of the indirect and induced impacts in a region, say Wales, that remain within Wales. As such, we are able to make statements such as:

- **It is estimated that for every £10 of GVA directly generated by Qatari-owned companies in Wales, an additional £12 worth of GVA is supported within the Welsh economy.**

The computed regional multipliers are based on the national multipliers but are adjusted to account for differences in the structure of the economy in different regions. The London economy for instance has a proportionally higher concentration of service industries which means that the national multiplier is not fully applicable to operations that occur solely within London. Given this, the regional multipliers augment the national multipliers, accounting for the different disaggregation of economic activities in different regions.⁵

2.5 Contribution of Qatari students

Our analysis aims to estimate the total expenditure of Qatari students in the UK, covering undergraduates, postgraduates, and private school pupils. To achieve this, we used data from the Higher Education Statistics Agency (HESA)⁶ on the annual number of Qatari university students, and Home Office Student Visa statistics to estimate the number of Qatari school pupils.

To estimate university student expenditure, we utilise results from the Department of Education's Student Income and Expenditure Survey for the 2021/22 academic year and adjust the data for inflation throughout the rest of our sample period. This survey, however, included only English-domiciled students. We therefore scaled the estimates by a ratio based on Qatari tourists' propensity to spend from the International Passenger Survey of 2023. In the case of school pupils on the other hand, we looked at the Independent Schools Council's annual survey to estimate fee expenditure for both boarding and day-school attendants.

From these combined data sources, we developed annual estimates of Qatari student numbers and their corresponding expenditure on goods and services.

⁵ | The regional multiplier model is based on relative industry concentrations. The assumption is that if a region has at least the national concentration of a given industry relative to the industry which is demanding an input, then it is able to provide the demanding industry with inputs without there being a requirement to import from different regions.

⁶ | Table 28: Non-UK permanent address students by HE provider and country of permanent address 2014/15 to 2022/23, HESA, <https://www.hesa.ac.uk/data-and-analysis/students/table-28>, accessed October 2024.



03 | OPERATIONAL IMPACTS

3.1 Impacts in 2022

This section discusses the economic impacts of projects supported by Qatari investment which are in their operational phase. This includes the impact of new greenfield investment projects once they are completed and the underlying enterprise is operational, as well as the impact supported by businesses that were already in operation at the time of Qatar's investment. We first present the direct impacts of these investments, which are the contributions made to the economy as a direct result of the day-to-day operation of projects supported by Qatari investment. We then present the indirect and induced impacts of these investments, followed by the aggregate of all three aforementioned impact layers.

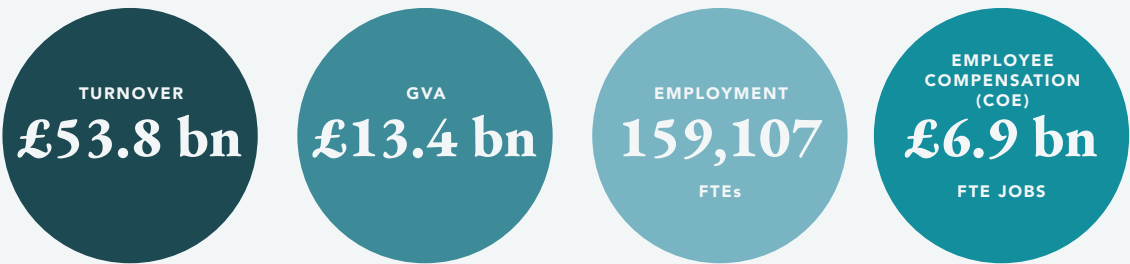
As discussed in Section 2, the indirect impact is the economic activity supported throughout the UK supply chains of Qatari-owned entities when these businesses make purchases from their suppliers in their day-to-day operations. The induced impact is the economic activity supported when employees in Qatari-owned businesses, and their suppliers, spend their earnings on goods and services in the wider UK economy.

For both direct and aggregate impacts, we first discuss the impacts in 2022, before considering trends in impacts from 2008 to 2022. For direct impacts, we also present figures broken down by the sectors of the economy in which Qatar’s investments operate. Additionally, we discuss the contributions to the UK exchequer made by Qatari investments in their operational phase.

DIRECT IMPACTS

The day-to-day operations of Qatari-owned businesses generated the following impacts in 2022:

FIGURE 01
Direct operational impact, 2022



Source | Companies House, CEBR Analysis

The operations of Qatar’s investments **directly generated £53.8 billion in total revenue in 2022**. The gross value added to the UK economy by these businesses amounted to **£13.4 billion, or approximately 0.6% of UK’s GVA in 2022.**⁷ In addition, these investments supported **159,107 full time-equivalent (FTE) jobs**, or one in every 170 FTE jobs in the UK.⁸ The compensation paid to employees by these businesses amounted to **£6.9 billion**.

Qatari investments are not limited to high-profile assets but also span essential sectors such as gas supply, wholesale trade, and accommodation services. Through these diverse investments, Qatar’s economic presence in the UK supports a range of industries and activities beyond well-known brands, contributing to the broader economic landscape.

Table 1 presents these impacts disaggregated by the sectors of the UK economy in which these businesses operate.

7 | ONS, October 2024, GDP output approach – low-level aggregates; Cebr analysis.
8 | Full-time equivalent jobs estimated with employment status data from; Office for National Statistics, 2022, Business Register and Employment Survey; and Cebr’s proprietary UK employment model.

TABLE 01

Direct operational impacts by sector, 2022

SECTOR	TURNOVER, £M	GVA, £M	EMPLOYEE COMPENSATION, £M	EMPLOYMENT FTEs
Accommodation services	419	222	132	3,366
Real estate services	845	589	285	2,465
Gas fuel, steam and air conditioning supply	125	16	12	88
Wholesale trade services	5,786	167	4	19
Retail trade services	32,058	6,494	3,784	113,886
Air transport services	14,115	5,630	2,571	36,517
Financial service, excl. insurance and pension funding	444	318	146	2,767
TOTAL	53,792	13,436	6,935	159,107

Note:

(i) Real estate services exclude services on a fee or contract basis, and imputed rent.

(ii) Retail and wholesale trade services exclude motor vehicles and motorcycles.

(iii) Qatar acquired a stake in the London Stock Exchange Group (LSEG) in 2009 and reduced its stake under the eligible threshold in 2019. It is therefore not included in the table above.

Source | CEBR Analysis

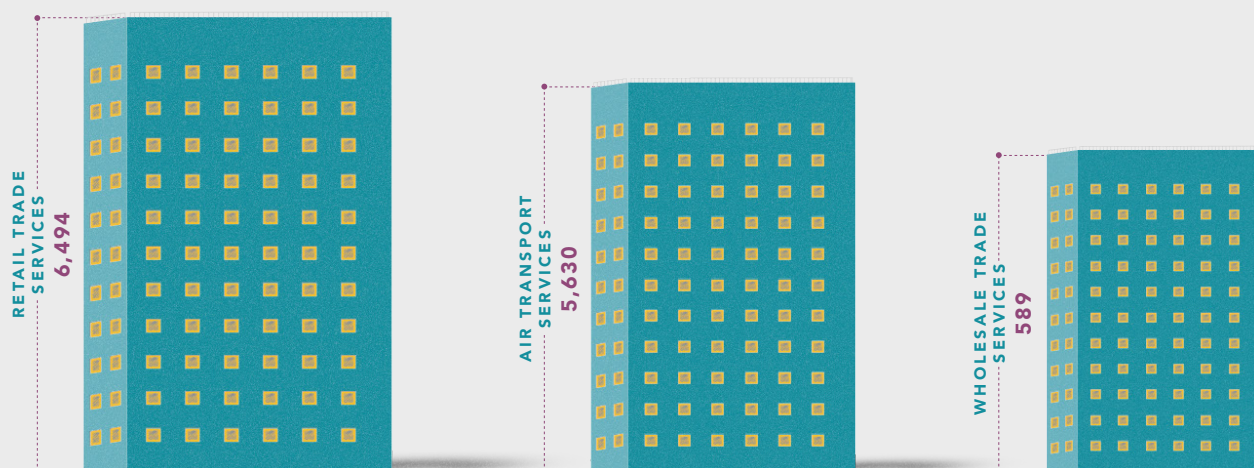
The sector in which Qatari investment supported the largest direct impact across all metrics was retail trade services, largely due to the nation's investment in Sainsbury's, but with contributions also from Harrods. These retail businesses alone directly supported 113,886 FTE jobs in 2022, some 72% of all FTE jobs directly supported. In addition, they generated £6.5 billion in Gross Value Added to the economy, while paying employees £3.8 billion in salaries, wages and benefits.

Another notable sector was air transport services, in which Qatar owns stakes in IAG (the parent company of British Airways) and Heathrow Airport. Qatar invested in IAG in 2015 and in Heathrow in 2012. These companies together generated £14.1 billion in turnover and £5.6 billion in Gross Value Added in 2022, while supporting 36,517 FTE jobs and paying employees £2.6 billion. If the proposed addition of a third runway at Heathrow Airport is approved by the UK government, we would expect to see an increase in this sector's contribution to the direct economic impacts generated by Qatari investments in the UK in coming years.⁹

One sector in which Qatari ownership also had a direct impact was the gas supply sector. This represents Qatar's stake in South Hook Gas, one of the largest LNG importers in the UK, which generated £125 million in turnover and £16 million in gross value added, supported 88 FTEs, and paid employees £12 million in compensation. The sector in which impacts were smallest for employee compensation and employment was wholesale trade services, however, because wholesalers are high-volume businesses which generate disproportionately large revenues compared to their gross value added, employment and employee compensation.

⁹ | Proposed Heathrow Expansion, <https://www.heathrow.com/company/about-heathrow/expansion>, accessed October 2024.

TOP THREE SECTORS BY GVA (£M)



Furthermore, Qatar had numerous investments in the accommodation services sector which were operational in 2022. By far the single largest investment in this sector is in Maybourne Hotels. Maybourne Hotels is a luxury hotel operator, which owns and manages The Berkeley, Claridge's, The Connaught and The Emory in London. Qatari owners acquired the business in 2015, which in 2022 generated £252 million of the £419 million in turnover in the sector. In 2022, Maybourne Hotels accounted for 60% of the £222 million in GVA generated by Qatari investments in the sector, as well as 62% of FTE employment and 61% of employee compensation. Other significant Qatari investments in the sector include The Savoy and The Ritz hotel brands, acquired in 2015 and 2020, respectively, as well as Intercontinental Park Lane Hotel, acquired in 2013.

Qatari-owned real estate services had a similar degree of impact to Qatari investments in the accommodation services sector. The largest component investment in this sector was in the Canary Wharf Group, which is accounted for in our analysis as from 2009. In 2022 alone it generated £470 million in turnover and £362 million in GVA. Canary Wharf also directly supported 1,232 FTE jobs, and paid employees £119 million in wages, salaries and benefits. Canary Wharf's contribution represents 55.6% of all Qatari-owned real estate services turnover, 61.5% of GVA, 50.0% of FTE employment and 41.8% of employee compensation. In a flagship development project, the Qatar Investment Authority (QIA) and Canary Wharf Group (CWG) have announced plans to transform the 8 Canada Square building into one of the world's largest sustainable mixed-use buildings. The project will begin after HSBC's lease expires in 2027. The ambitious redevelopment will convert the building into a 1.1 million sq ft destination with workspaces, leisure, entertainment, education, and cultural attractions, along with a new publicly accessible route linking the Elizabeth line station to Canada Square Park.

Finally, the financial services sector was the only one in which Qatar made an investment and later divested during the 2008–2022 study period. Qatar acquired a stake in the London Stock Exchange Group (LSEG) in 2009 and reduced its stake under the eligible threshold in 2019. It is therefore the only operational Qatari investment in the study period not included in the 2022 snapshot in Table 1, above. However, LSEG proved to be one of Qatar's most impactful investments on the UK economy. Between 2009 and 2019, the business generated £7.4 billion in turnover and £5.1 billion in GVA, while supporting an average of 1,221 FTE jobs, and paying employees £1.8 billion in compensation.



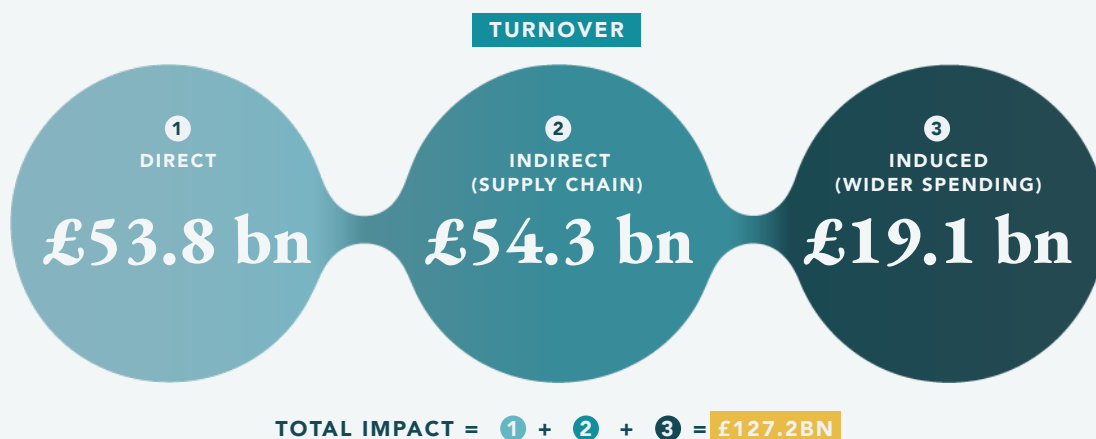
AGGREGATE IMPACTS

TURNOVER

As outlined above, the direct turnover impact from all businesses in which Qatar has invested amounted to **£53.8 billion** in 2022. Our input-output modelling suggests that this direct turnover **supports an additional £54.3 billion in turnover along the supply chains**, which is the indirect effect. Moreover, we estimate that the spending generated when employees in Qatari-owned businesses—and those supported within their supply chains—spend their earnings across the wider economy supports another **£19.1 billion in turnover** (the induced effect). Combining these direct, indirect, and induced effects, we find that Qatar's investments in the UK **supported an aggregate turnover footprint of £127.2 billion in 2022**.

FIGURE 02

Aggregate turnover impact, 2022



Source | CEBR Analysis

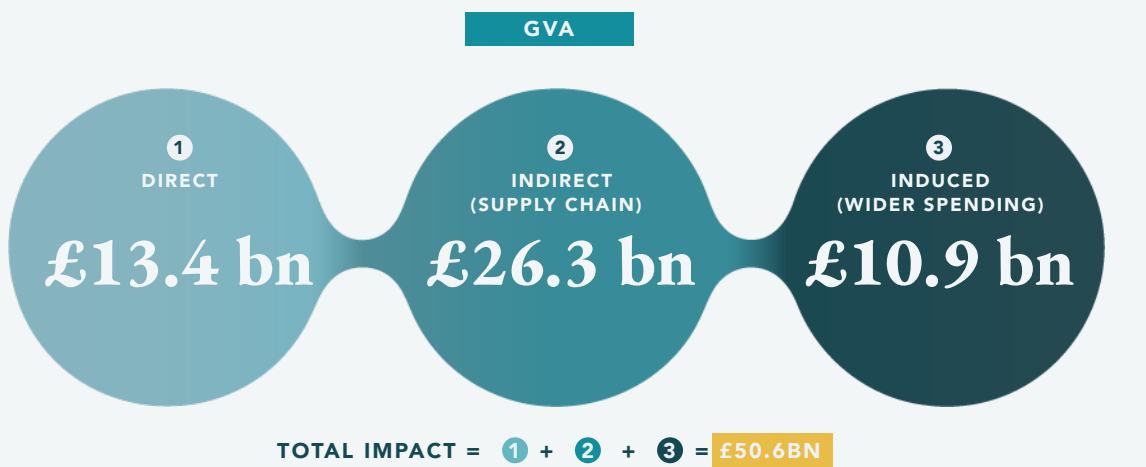
The interpretation of Figure 2 is as follows: in 2022, for every £1.00 of turnover directly generated by Qatari owned businesses, a further £1.01 of turnover was supported in firms along their supply chains. Furthermore, an additional £0.35 of turnover is supported in the wider UK economy when employees within the direct and indirect impact layers spend their earnings. Summing the indirect and induced layers together, we can say that for every £1.00 of turnover directly generated by Qatar’s investments, a further £1.36 worth of turnover was supported in the wider economy in 2022.

GVA

The above turnover impacts give an idea of the scale of the operations of Qatari-owned businesses in the UK. However, gross value added (GVA) measures the actual value that businesses contribute to the goods and services that they have bought as part of their operations.

The **direct GVA contribution** of the businesses in which Qatar has invested was **£13.4 billion** in 2022. We estimate that the indirect impact of this was to support an additional **£26.3 billion of GVA along supply chains**. In addition, we find that a further **£10.9 billion in GVA was induced** by employees of Qatar’s investments and their suppliers spending their earnings in the wider UK economy. The aggregate effect of the direct, indirect, and induced impacts is that **Qatar’s investments supported a footprint of £50.6 billion in GVA in 2022** through their day-to-day operations. This sum represents 2.2% of UK GVA in 2022.¹⁰

FIGURE 03
Aggregate GVA impact, 2022



Source | CEBR Analysis

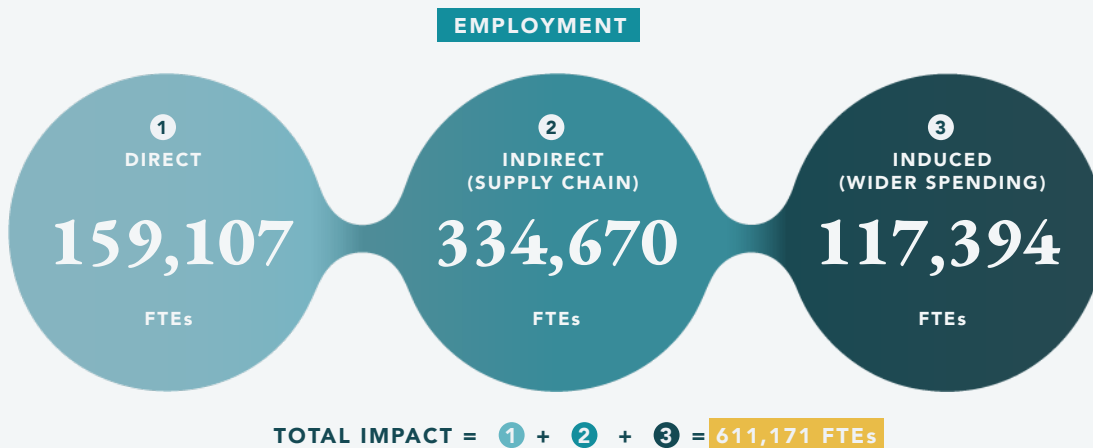
10 | ONS, October 2024, GDP output approach – low-level aggregates; Cebr analysis.

EMPLOYMENT

In 2022, Qatari-owned businesses **directly supported 159,107 FTE jobs** in the UK. Our input-output modelling suggest that the indirect impact of this employment was to support **an additional 334,670 FTE jobs** across supply chains. On top of this, when these direct and supply-chain employees spent their earnings in the wider economy, we estimate that **a further 117,394 FTE jobs** were supported in 2022. Therefore, **611,171 FTE jobs were supported on aggregate** by Qatar's operational investments, which represents **one in every 44 FTE jobs in the UK in 2022**.¹¹

FIGURE 04

Aggregate employment impact, 2022



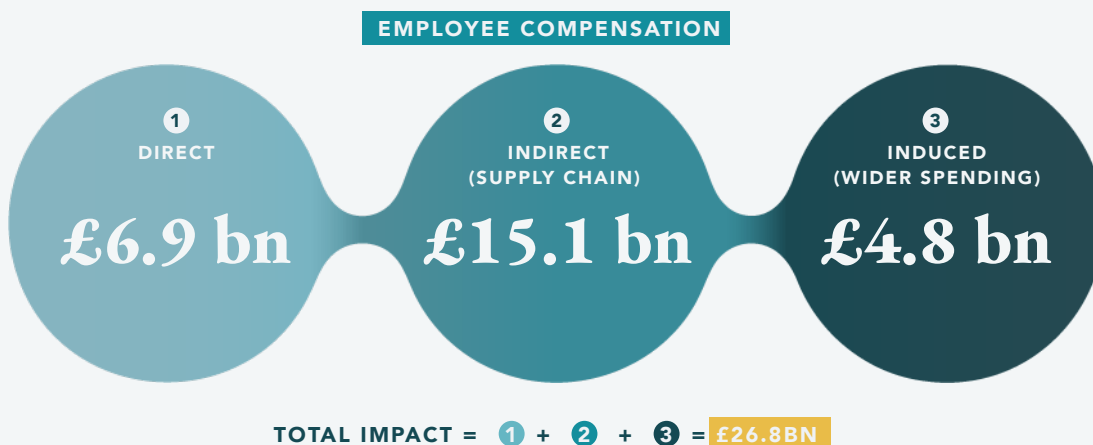
Source | CEBR Analysis

EMPLOYEE COMPENSATION

The day-to-day operations of these businesses directly provided their employees with **£6.9 billion in salaries, wages and benefits in 2022**. The indirect impact of these firms' operations was to support **an additional £15.1 billion of compensation** paid to the employees of businesses in their supply chains. Spending of this directly and indirectly supported compensation **induced a further £4.8 billion in compensation elsewhere** in the UK economy. The sum of the direct, indirect and induced employee compensation amounted to **£26.8 billion in 2022**.

FIGURE 05

Aggregate employee compensation impact, 2022



Source | CEBR Analysis

SUMMARY OF IMPACTS IN 2022

The table below summarises the direct, indirect, induced and resulting aggregate impacts Qatari investments made in 2022.

TABLE 02

Summary of operational impacts, 2022

IMPACT LAYER	TURNOVER, £BN	GVA, £BN	EMPLOYEE COMPENSATION, £BN	EMPLOYMENT FTEs '000s
Direct	53.8	13.4	6.9	159
Indirect	54.3	26.3	15.1	335
Induced	19.1	10.9	4.8	117
Aggregate	127.2	50.6	26.8	611

Source | CEBR Analysis

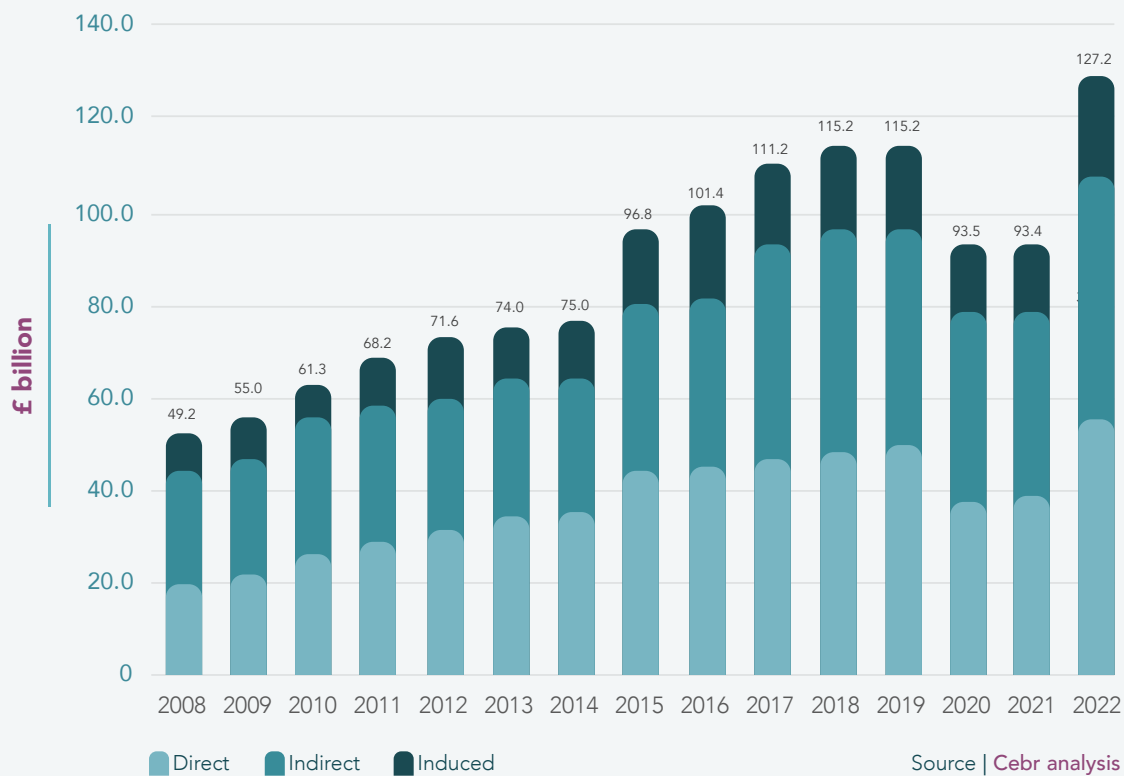
3.2 Trends in impacts 2008-2022

In this section, we present the trends in the aggregate impacts of Qatar's investments between 2008 and 2022. Over this period Qatar bought and sold a number of stakes in businesses with UK operations, which partly contributed to changes over time in each of the variables measured. A more significant contributing factor to changes over time was the COVID-19 pandemic, which significantly affected UK business activity in 2020 and 2021. Furthermore, the economic impacts of Qatar's UK-operating investments grew naturally over the 15-year period as these businesses expanded in size.

TURNOVER

The cumulative aggregate turnover contributions from Qatari-owned entities over the 15-year period amount to £1.3 trillion.

The breakdown of the direct, indirect, and induced turnover supported across the impact layers for each year is given in Figure 6. The consequent aggregate impacts are labelled above each year's column.

FIGURE 06**Evolution of aggregate turnover impact, 2008-2022**

Over the 15 years studied, we estimate that aggregate impact through turnover grew from £49.2 billion in 2008 to £127.2 billion in 2022. For context, this turnover is nearly on par with the entire turnover of the UK's food and beverages manufacturing sector, which stood at £128.6 billion in 2022. This shows a level of impact comparable to one of the UK's core manufacturing sectors.

Aggregate turnover grew at a compounded rate of approximately 6.5% per year. A large portion of this total growth came between 2014 and 2015, when the aggregate turnover impact increased by £21.8 billion in one year. This was largely due to Qatar's acquisition of a stake in International Airlines Group, the parent company of British Airways. This investment had similarly large positive effects on the aggregate GVA, employment, and employee compensation impacts in 2015.

In 2020 and 2021, the COVID-19 pandemic majorly stunted economic activity across the UK. As a result, Qatari investments' aggregate turnover impact fell from £115.2 billion in 2019 to £93.5 billion in 2020, at which level it roughly remained in 2021. Notably, direct turnover impacts in 2020 and 2021 fell by relatively less than the indirect and induced impacts. In 2022, however, economic activity began to recover, meaning that so too did Qatari-owned businesses, with turnover impacts totalling £127.2 billion on aggregate, surpassing pre-pandemic levels.

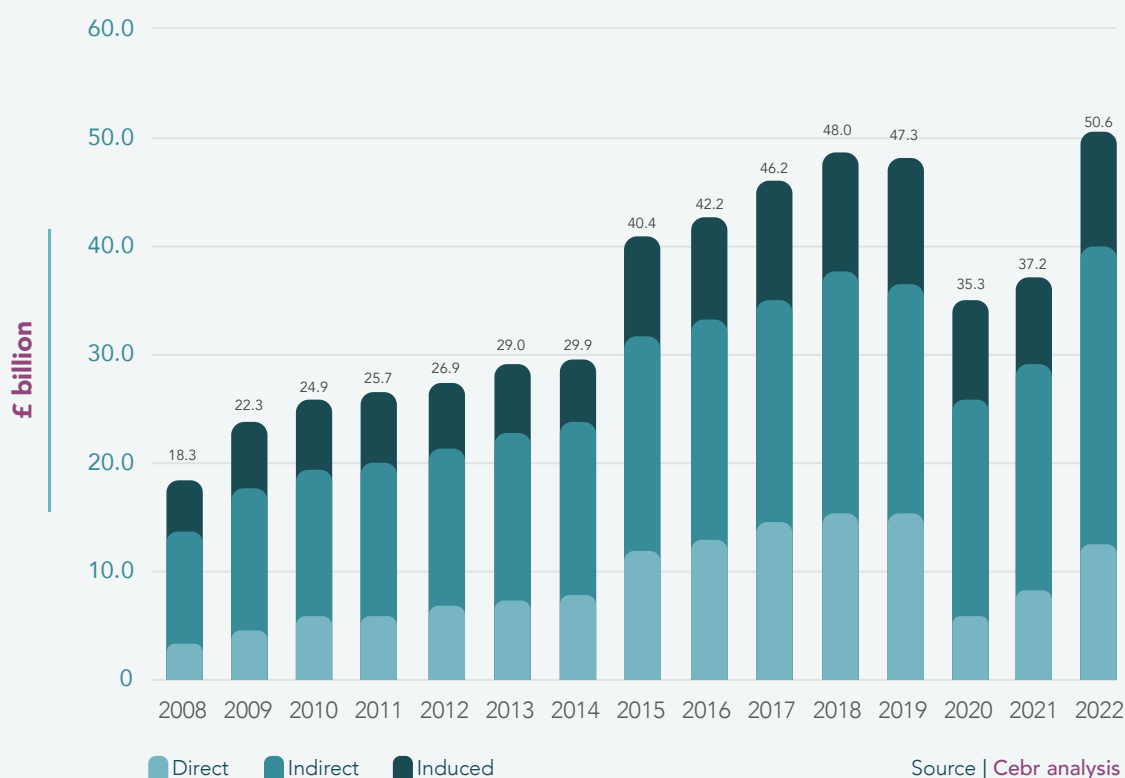
GVA

The cumulative aggregate contributions to GVA from Qatari-owned entities over the 15-year period are estimated at £524.3 billion.

The breakdown of the direct, indirect, and induced GVA supported across the impact layers for each year is given in Figure 7. The consequent aggregate impacts are again labelled above each year's column.

FIGURE 07

Evolution of aggregate GVA impact, 2008-2022



Between 2008 and 2022, the aggregate GVA impact of Qatar's operational investments grew from £18.3 billion to £50.6 billion. To put this into perspective, this GVA contribution exceeds the entire GVA of the UK's food and beverage services sector—which includes restaurants, pubs, cafes, and bars—at £46 billion in 2022. This highlights the considerable economic impact of Qatari investments, demonstrating a contribution on par with one of the UK's substantial service industries.

Aggregate GVA grew at a compounded annual growth rate of 7.0%. However, this growth did not occur smoothly across all impact layers. In 2012, for example, despite an increase of £2.0 billion in direct GVA, the indirect GVA impact decreased by £812.8 million. This occurred because in 2012 Qatar acquired a stake in Heathrow Airport, which affected the overall structure of Qatari-owned entities, notably in terms of supply chain spending relative to total turnover, which is reflected in the GVA multiplier.

In 2020 and 2021, GVA impacts also fell due to the COVID-19 pandemic. However, the relative decline in aggregate impacts from pre-pandemic levels was greater for GVA than for turnover, likely due to the fact that businesses could not reduce the scale of their operations quickly enough to match the fall in demand for their products. As such, producer profits, one of the components of GVA, declined relatively more than turnover.

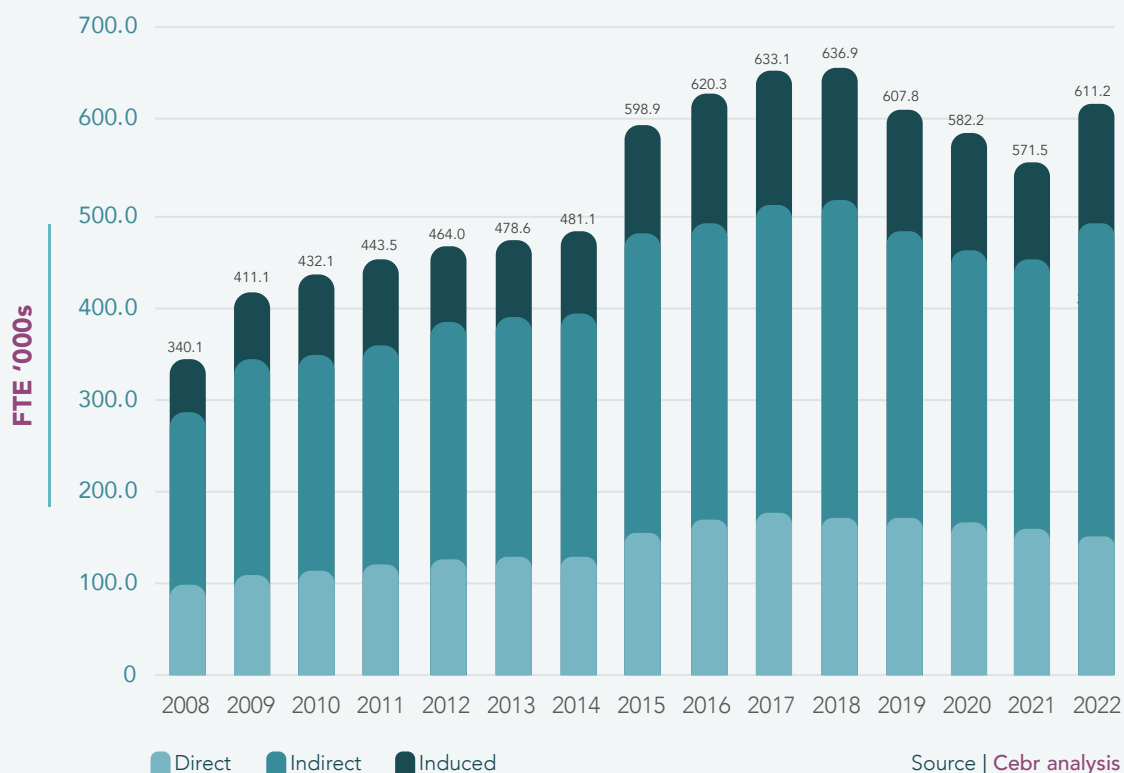
EMPLOYMENT

Aggregate employment supported by Qatari-owned, operational businesses in the UK increased from 340,090 FTE jobs in 2008 to 611,171 in 2022.

Figure 8 presents the breakdown of the direct, indirect, and induced employment impacts across the impact layers for each year.

FIGURE 08

Evolution of aggregate employment impact, 2008-2022



The growth trend in full-time equivalent (FTE) employment impacts has been more modest compared to turnover and GVA. This growth reflects a compound annual growth rate of 4.0%, lower than the 6.5% and 7.0% compound growth in turnover and GVA, respectively.

Furthermore, Qatar's purchase of a stake in International Airlines Group in 2015 also had a significant impact on direct, indirect and induced employment. FTE jobs supported rose 24.5% from 481,094 in 2014 to 598,942 in 2015. This far outstrips the impact of this investment on turnover and GVA, due to the high levels of employment relative to turnover within British Airways compared to the other Qatari-owned businesses.

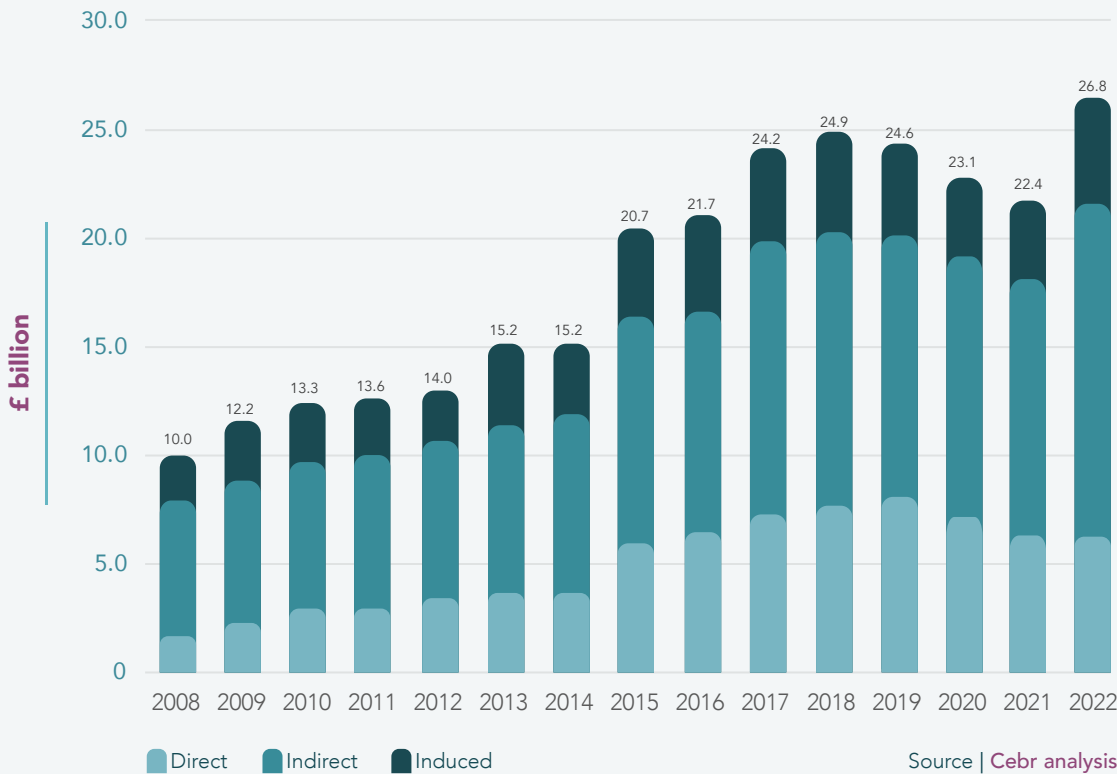
The effect of the pandemic on employment impacts was also more muted than for turnover and GVA. Aggregate FTE jobs supported fell only 10.3% from a peak of 636,880 in 2018 to a low of 571,541 in 2022. This was partly due to the UK's Coronavirus Job Retention Scheme, also known as the Furlough Scheme, designed to protect employment throughout the pandemic. Unlike turnover and GVA impacts, however, by 2022, aggregate employment supported had yet to recover to pre-pandemic levels.

EMPLOYEE COMPENSATION

The cumulative contributions to aggregate wages, salaries, and benefits from Qatari-owned entities over the 15-year period are estimated at £281.8 billion.

Figure 9 presents the breakdown of the direct, indirect, and induced employee compensation impacts across the impact layers for each year.

FIGURE 09
Evolution of aggregate COE impact, 2008-2022



For the most part, the trends in employee compensation impacts reflect the trends in FTE employment impacts. Aggregate employee compensation is that supported directly in Qatari-owned businesses, indirectly through these businesses' supply chain spending, and also that induced by employee spending in the wider economy. Aggregate compensation supported grew at a compounded growth rate of 6.8% per year, from £10.0 billion in 2008 to £26.8 billion in 2022. The fact that employee compensation growth outpaced the 4.0% growth in the number of FTE jobs supported means that the average FTE job supported by Qatari-owned businesses paid more in 2022 than in 2008 (not accounting for inflation). This trend was greater within Qatari-owned businesses than it was among its suppliers they support indirectly, indicating relatively higher wage growth than average.

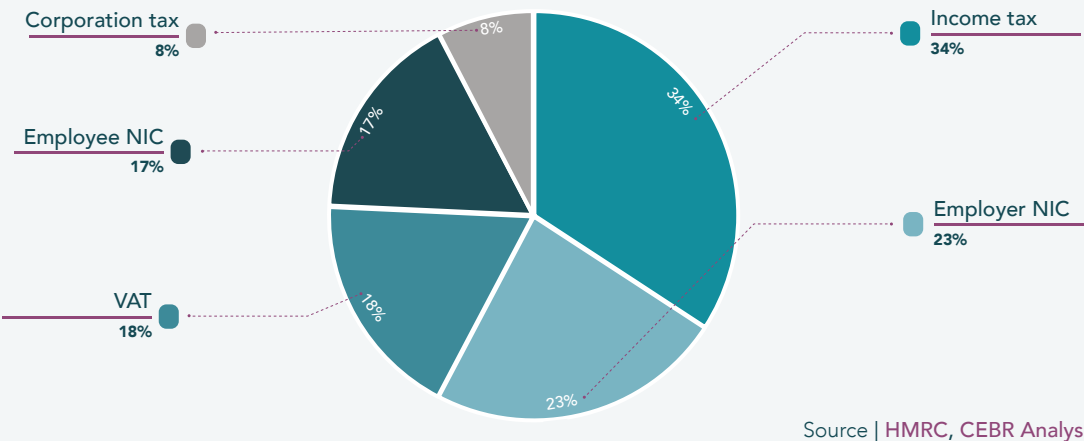
Also, similarly to the trend in FTE employment impacts, the pandemic had a lower negative impact on aggregate employee compensation when compared to GVA and turnover. Compensation supported fell 9.8% from a high of £24.9 billion in 2018 to a low of £22.4 billion in 2021. By 2022, however, aggregate compensation had recovered well beyond pre-pandemic levels, reaching £26.8 billion. This can partially be explained by the high levels of wage inflation seen in 2022, due to the high level of consumer price inflation that year.

3.3 Exchequer contributions by Qatari-owned businesses

This section summarises our findings on the total direct Exchequer contributions made by Qatari-owned businesses in their day-to-day operations. In 2022, these businesses are estimated to have contributed a total of **£3.4 billion in taxes**.

Figure 10 provides a breakdown of these contributions by tax type. Income Tax on employee salaries represents the largest share, amounting to £1.1 billion. Employer National Insurance Contributions (NICs) follow, accounting for approximately 24% of the total, or £810 million.

FIGURE 10
Direct tax contributions of Qatari-owned entities in 2022



We present the sectoral breakdown of the £3.4 billion Exchequer contribution in Table 3. In line with our results on the direct impacts, the retail trade sector was the primary contributor in 2022, accounting for a significant £2.2 billion, or 65% of the total tax revenue. This was followed by the Air transport services sector, which contributed £697 million, or 20%. These contributions are largely driven by the high employment levels in these sectors, which in turn result in substantial Income Tax and National Insurance payments from Qatari-owned businesses in retail and air transport.

TABLE 03**Direct tax contributions by sector, 2022**

SECTOR	TAX CONTRIBUTION, £M
Accommodation services	74
Real estate services	223
Gas fuel, steam and air conditioning supply	11
Wholesale trade services	144
Retail trade services	2,240
Air transport services	697
Financial service, excl. insurance and pension funding	55
TOTAL	3,445

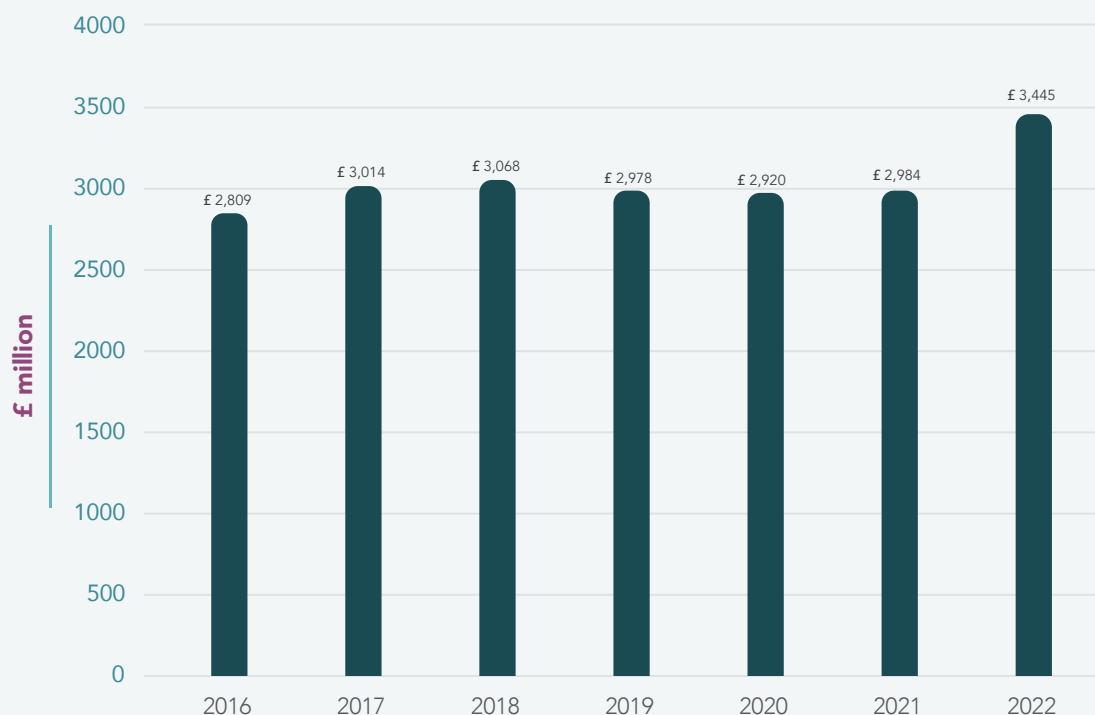
Note:

Source | HMRC, CEBR Analysis

Real estate services exclude services on a fee or contract basis, and imputed rent.

Retail and wholesale trade services exclude motor vehicles and motorcycles.

In the figure below, we illustrate the evolution of total tax contributions from Qatari operations since 2016.¹² Tax receipts have generally remained consistent over the years, except for 2022, where there was an approximate 13% increase, driven by higher employment-related taxes.

FIGURE 11**Evolution of tax contributions by Qatari-owned businesses, 2016-2022**

Source | HMRC, CEBR analysis

¹² | Given data unavailability, we only show tax estimates as from 2016.

CASE STUDY 1:

Katara Hospitality's investment in The Savoy Hotel, London

Katara Hospitality, Qatar's state-owned hotel investment company, made a significant investment in The Savoy, one of London's most iconic luxury hotels.

In 2015, Katara Hospitality acquired a 40% stake in The Savoy. The acquisition highlights Katara Hospitality's commitment to expanding its portfolio of prestigious global properties, with The Savoy becoming its first London landmark hotel.

HISTORICAL SIGNIFICANCE

The Savoy Hotel, located on the banks of the River Thames, was opened in 1889 and became renowned as one of London's first luxury hotels. Built by impresario Richard D'Oyly Carte, it was the first luxury hotel in Britain and introduced several innovations, such as electric lighting and en-suite bathrooms. These features set new standards for the hospitality industry across Europe. Over the years, it has hosted numerous high-profile guests. In 2010, The Savoy underwent a major £230 million renovation, which was one of the largest hotel restorations in British history. This refurbishment further solidified The Savoy's standing as one of the world's most prestigious hotels.

ECONOMIC IMPACT

The Savoy is a significant economic asset, contributing to London's tourism and hospitality sector. Following its refurbishment and Katara's investment, the hotel continues to draw luxury travellers.

In 2023, The Savoy Hotel directly supported 500 jobs, contributing approximately £35 million in Gross Value Added (GVA) to the economy. Additionally, the hotel provided around £18 million in employee compensation, highlighting its significant role not only as a cultural landmark but also as a key economic contributor in London's hospitality sector.



“

With a legacy spanning over 135 years, we take pride in our reputation as London’s original luxury hotel. Our commitment is to ensure we meet the expectations of our discerning guests, which means we require the means to continually invest, innovate and elevate our storied hotel’s offering. Towards the end of last year, we opened a new and vibrant dining destination, Gallery, a florist boutique and our scone shop, following the complete renovation of what was previously the Thames Foyer and Upper Thames area of the hotel. We are currently undergoing refurbishment of the rooms and suites on the riverside of the hotel, the first of which will be revealed in August this year. This is part of a phased refurbishment to transform all rooms and suites within The Savoy. These significant updates of the hotel demonstrate the support with investment and the recognition that we need to evolve in order to stay ahead of our competitors and attract market share.

FRANCK X. ARNOLD

Regional Vice President & Managing Director,
The Savoy

”



04 | CONSTRUCTION IMPACTS

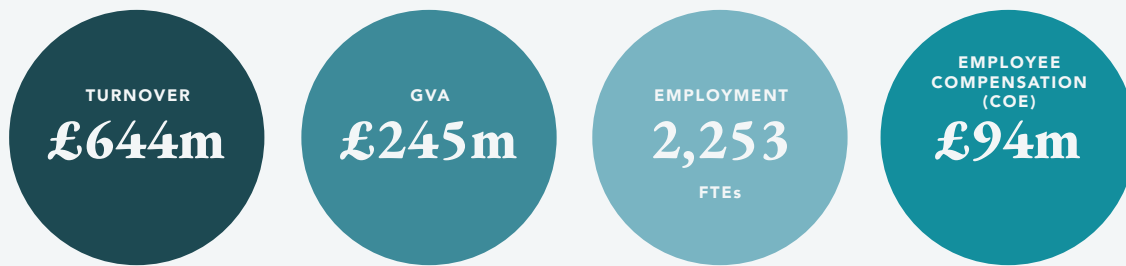
4.1 Impacts in 2022

In this section, we estimate the economic impact from the construction of projects financed by select Qatari entities. It is important to note that data was available only for a select number of projects, so the figures presented may not fully capture the entire impact of Qatari-financed construction activities.

The construction of these projects generated demand for goods and services in 2022, supporting direct business revenue (turnover) of **£644 million**. The resulting impacts through GVA, Employment and Employee Compensation are shown below.

FIGURE 12

Direct construction impacts by select Qatari entities, 2022

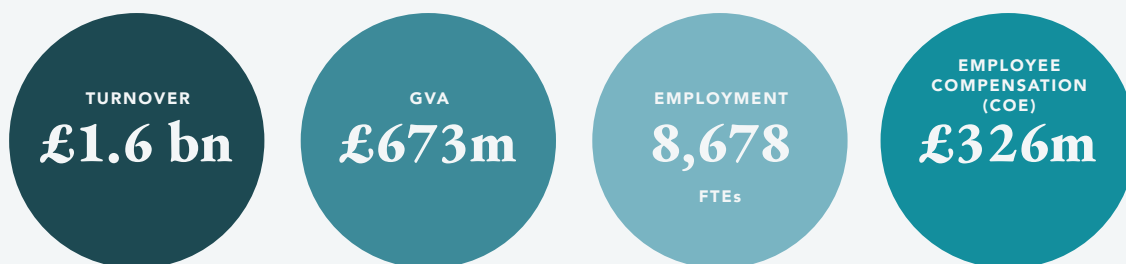


Source | CEBR Analysis

By multiplying the direct impacts with different industry multipliers from our in-house input-output models, we estimate the indirect and induced turnover generated across the UK. The aggregate economic impact in 2022, that is, the sum of the direct, induced, and indirect impacts of selected construction projects financed by Qatari entities was the following:

FIGURE 13

Aggregate construction impacts by select Qatari entities, 2022



Source | CEBR Analysis

The construction of selected projects recipient of Qatari investment for which we had data **generated £1.6 billion in aggregate turnover in 2022**. The resulting impact through GVA is estimated at **£673m**, and while supporting **8,678 full time-equivalent (FTE) jobs**. The compensation paid to employees throughout the economy amounted to **£326m**.

4.2 Trends in impacts 2014 - 2022

TURNOVER

From 2014 to 2022, construction projects financed by Qatari-owned businesses¹³ (for which data is available) generated a cumulative direct business revenue of £5.1 billion.

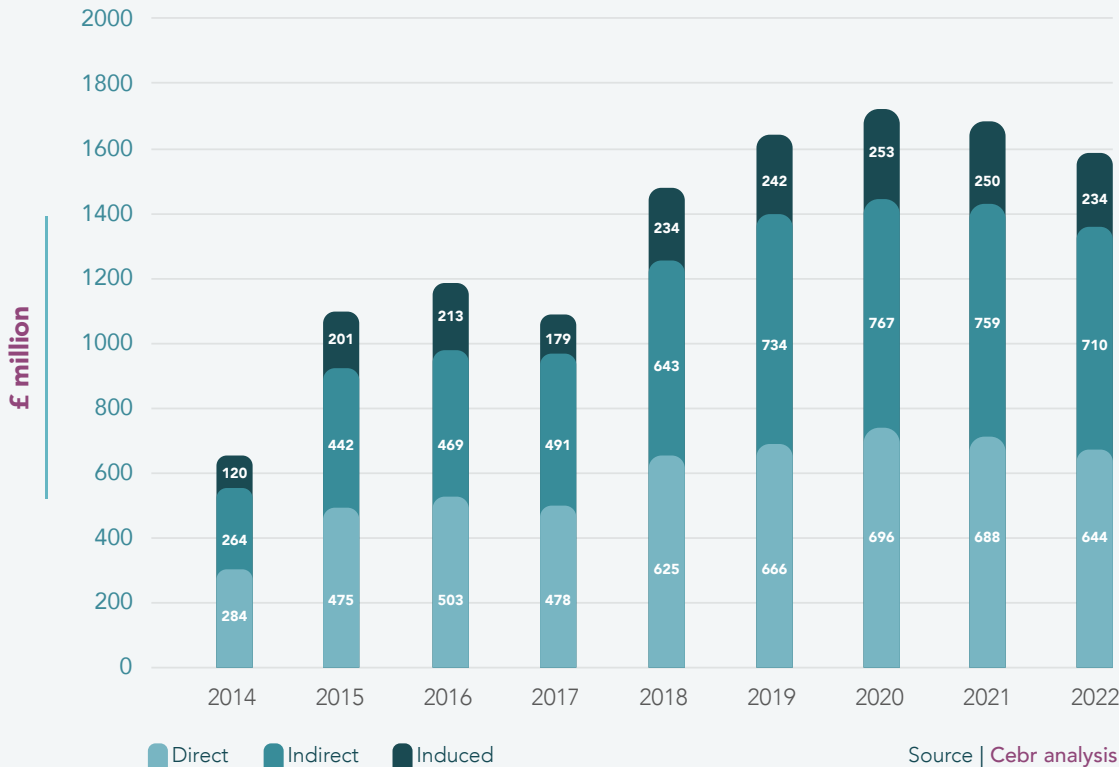
When accounting for direct, indirect, and induced impacts, the cumulative impact of these projects rises to £12.3 billion since 2014.

¹³ | It is important to note that data was available only for a select number of projects, so the figures presented may not fully capture the entire impact of Qatari-financed construction activities.

Qatari entities’ construction projects in the UK have had a substantial impact through turnover, with direct contributions peaking at £696 million in 2020 and remaining strong at £644 million in 2022. From 2014 to 2022, the direct turnover impact grew by an average of 11% annually (CAGR). However, the broader economic influence of these projects extends beyond direct turnover. Indirect impacts, representing economic activity in the supply chains that support construction, have consistently increased. The aggregate turnover impact peaked in 2020, reaching £1.7 billion, driven by increased indirect and induced effects across the economy. In 2022, of the total estimated £1.6 billion in revenue associated with the construction projects considered, £710 million (or 45%) was generated through these indirect channels, reflecting a notable rise in the turnover multiplier over time.

The increase in the multiplier means that each pound spent directly on construction now produces a more substantial ripple effect across the economy, benefitting a wider range of industries. In simple terms, this growing indirect impact shows that these investments not only generate revenue within the construction projects themselves but also stimulate additional economic activity in other sectors. For instance, suppliers, manufacturers, and service providers experience heightened demand due to these projects, supporting jobs and income across the UK economy.

FIGURE 14
Aggregate construction impact through turnover, 2014-2022



GVA

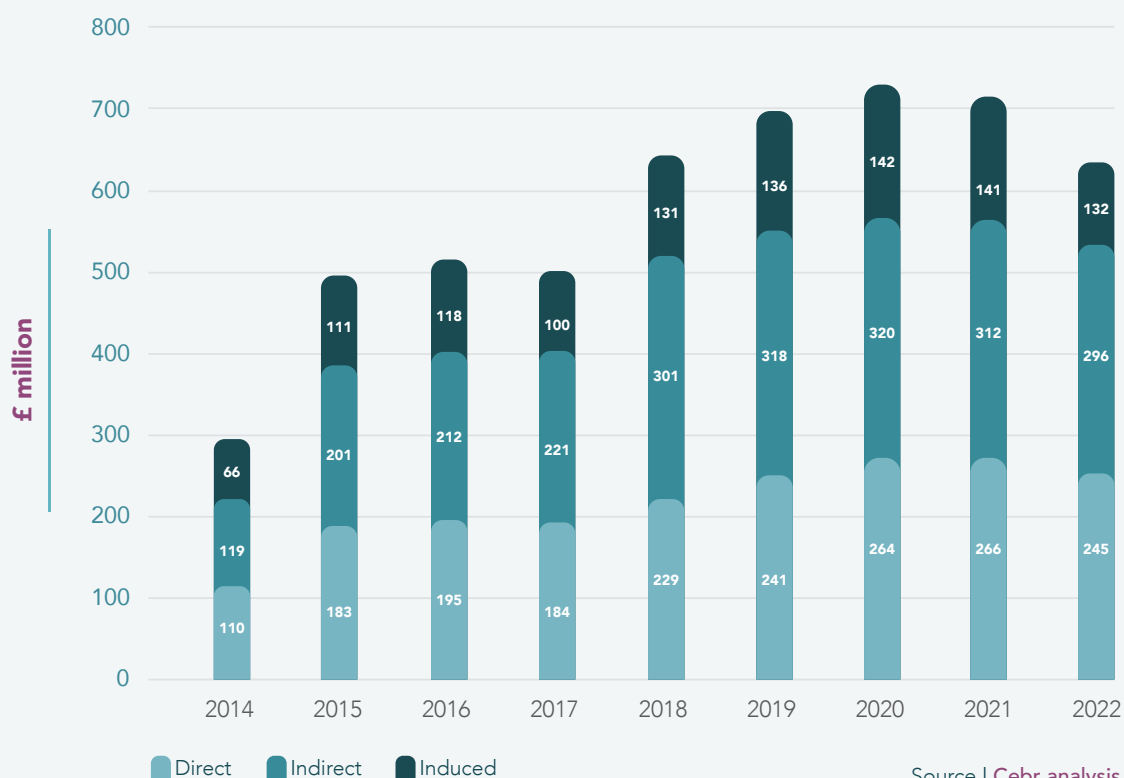
In total, these construction projects have contributed an aggregate Gross Value Added (GVA) of £5.3 billion since 2014.

GVA differs from turnover in that it represents the economic value created after subtracting the cost of inputs and raw materials, essentially measuring the contribution to the overall economy rather than just revenue. The construction projects in scope have generated significant GVA impacts, with direct contributions reaching a high of £266 million in 2021. From 2014 to 2022, the direct GVA impact steadily grew, contributing to the broader economic value generated by these projects. The indirect GVA, which represents the economic activity supported within the supply chain, has also consistently risen, reaching £320 million in 2020. This growing indirect impact highlights the broader role of these projects in creating value across various sectors linked to construction.

The aggregate GVA peaked at £727 million in 2020, combining direct, indirect, and induced effects. This peak is indicative of a high multiplier effect, reflecting the extensive economic influence of each pound of direct GVA. The GVA multiplier reached 2.89 in 2018, meaning that for every £1 of direct GVA from these projects, an additional £1.89 was generated in other parts of the economy.

FIGURE 15

Aggregate construction impact through GVA, 2014-2022



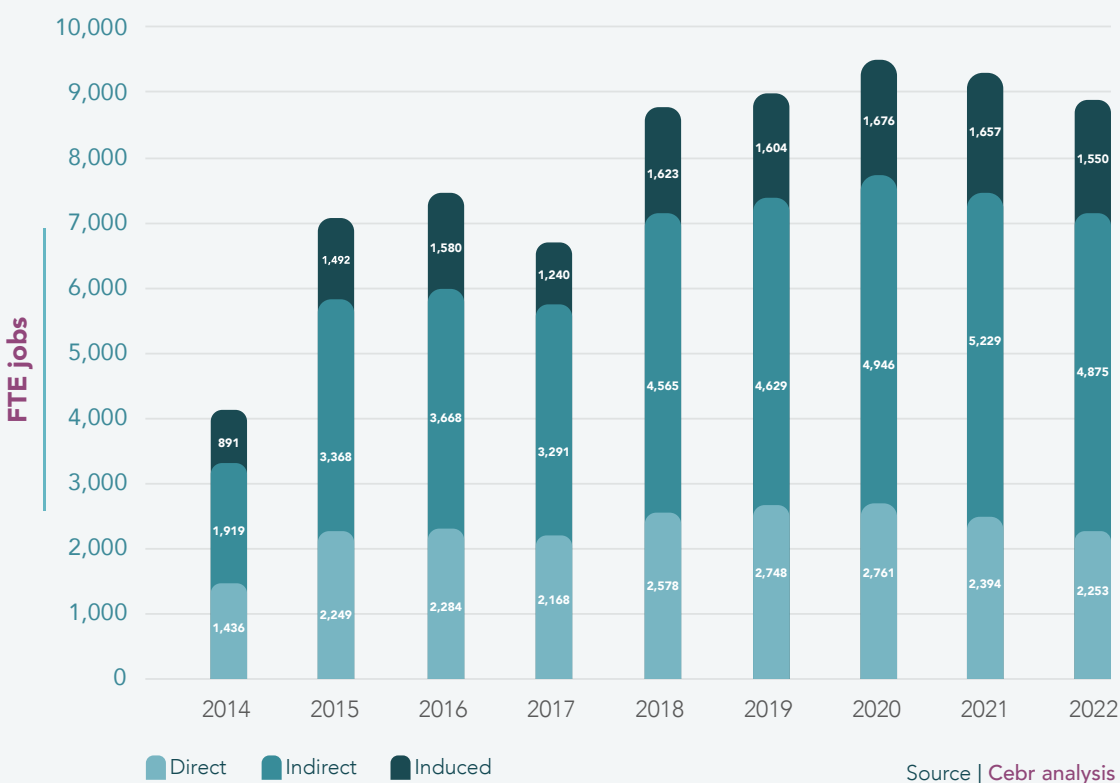
EMPLOYMENT

The construction projects have supported 70,673 FTE job years cumulatively since 2014.

These construction projects in scope have had a significant impact on employment in the UK, supporting thousands of jobs both directly and indirectly. Direct employment, representing on-site construction and project management roles, peaked at 2,761 FTEs in 2020, before tapering slightly to 2,253 FTEs in 2022. Over time, indirect and induced employment impacts have grown substantially, reflecting the multiplier effect as these projects stimulate demand in supply chains and support jobs across related industries.

As shown in Figure 16 below, the aggregate employment impact reached its highest point in 2020, with 9,382 FTEs supported across direct, indirect, and induced channels. The employment multiplier for these projects has consistently been high, reaching up to 3.88 in 2021. This high multiplier suggests that each direct job generates nearly three additional jobs in other sectors. This is due to the labour-intensive nature of many industries within the construction supply chain—such as manufacturing, transportation, and various service roles—which require substantial human resources to meet the demands of large-scale projects.

FIGURE 16
Aggregate construction impact through employment, 2014-2022

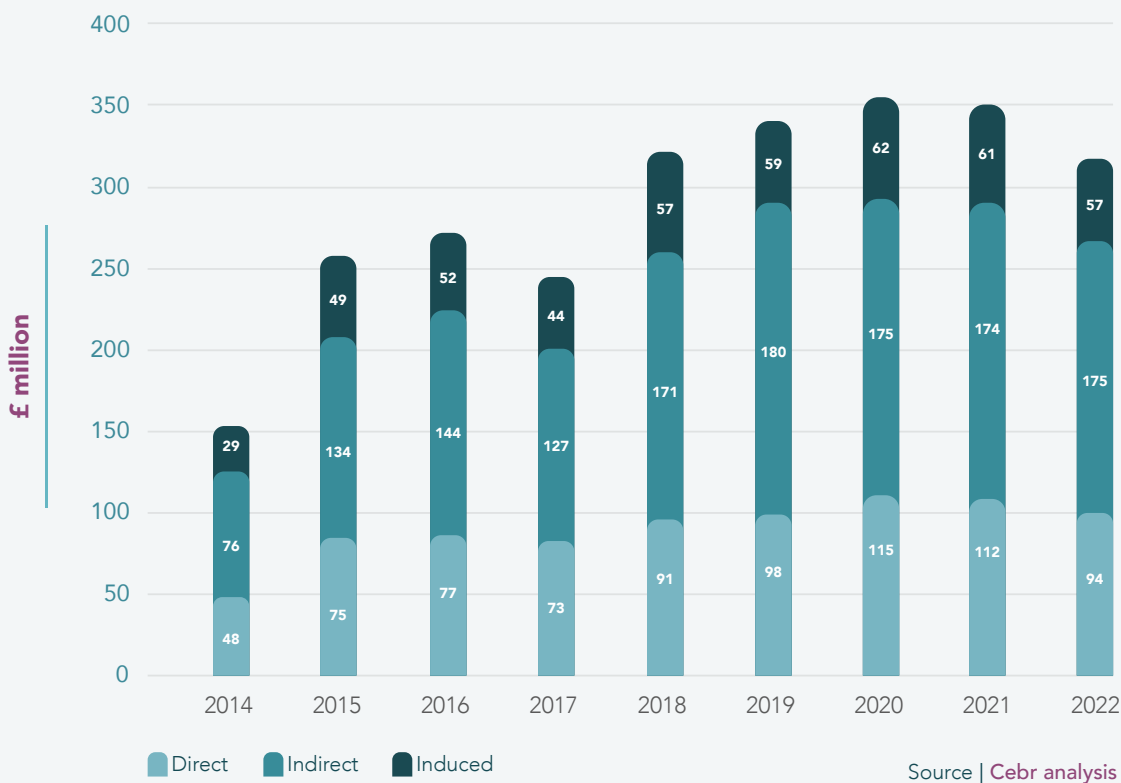


EMPLOYEE COMPENSATION

In total, these construction projects supported £2.6 billion in employee compensation since 2014.

The impact of construction projects on compensation of employees (COE) has shown a similar trend to other economic indicators. Direct COE contributions increased steadily from £48 million in 2014 to a peak of £115 million in 2020, before slightly declining to £94 million in 2022. Aggregate COE reached its highest value of £352 million in 2020, reflecting the broad economic effect of these projects across the supply chain. The COE multiplier, averaging around 3.34 over the period, indicates that each pound spent on direct compensation results in over £2.34 in additional compensation throughout the economy.

FIGURE 17
Aggregate construction impact through COE, 2014-2022





05 | REGIONAL IMPACT OF QATARI OPERATIONS

This section examines the regional direct and aggregate economic impacts of the day-to-day operations of Qatari-owned businesses in the UK. We look at four key macroeconomic indicators: turnover, GVA, employment, and employee compensation (COE).

5.1 The direct economic impact of Qatari operations by UK region

While London is a natural hub for Qatari investments due to its global importance as a centre for business and finance, Qatari operations in the UK extend well beyond the capital. In fact, 53% of turnover and 34% of GVA from Qatari-owned businesses are generated outside of London. Additionally, employment impacts are evenly split, with 50% of FTE jobs supported both in London and across other regions.

This distribution demonstrates that Qatari investments are not solely concentrated in high-profile assets within London but contribute significantly to economic activity across the entire UK. The influence of Qatari-owned businesses extends from Scotland to the South West, supporting diverse sectors and regions. For example, major infrastructure projects like the South Hook LNG Terminal in Wales have substantial impacts on local economies, and the impacts of Qatar's investment in Sainsbury's are distributed widely throughout the UK's regions.

The direct regional impact of operations refers to the economic activity supported in each region through the day-to-day activities of Qatari-owned businesses located there. This includes the people



employed, the salaries paid to them, the turnover produced locally, and the GVA, or contributions to GDP, made in each region by these entities.

Table 4 shows the regional turnover, GVA, employment, and employee compensation directly attributable to Qatari-owned businesses in 2022. Employment is presented in Full-Time Equivalent employees (FTEs), which refers to the hours worked by one worker employed on a full-time basis and is used to standardise the hours worked by several part-time employees to one full-time worker.

TABLE 04

Direct economic impact of Qatari operations, London compared to other regions, 2022

	TURNOVER, (£M)	GVA, (£M)	EMPLOYMENT	COMPENSATION OF EMPLOYEES (£M)
London	25,247	8,870	79,288	4,310
Other regions	28,545	4,566	79,819	2,625
TOTAL	53,792	13,436	159,107	6,935

Source | CEBR Analysis

Since the region that concentrated most Qatari investment during this year was London, this is also where we see the largest direct impacts across every variable, including, for instance, an £8.9 billion contribution to GVA. The region where direct impacts were next most concentrated was the South East, followed by Yorkshire and the Humber. In the latter, for instance, Qatari-owned businesses employed almost 10,000 people and accounted for approximately 0.5% of total employment in the region.¹⁴

14 | Business population estimates, Office for National Statistics, 2023

TABLE 05**Direct economic impact of Qatari operations by region, 2022**

	TURNOVER, (£M)	GVA, (£M)	EMPLOYMENT (FTEs)	COMPENSATION OF EMPLOYEES (£M)
North East	1,683	326	5,927	194
North West	2,481	481	8,739	286
Yorkshire and the Humber	2,805	543	9,879	323
East Midlands	1,834	355	6,459	211
West Midlands	1,791	347	6,307	206
East of England	2,201	426	7,751	254
London	25,247	8,870	79,288	4,310
South East	4,574	886	16,110	527
South West	2,222	430	7,827	256
England	44,838	12,664	148,286	6,568
Wales	6,559	308	2,387	91
Scotland	2,136	414	7,523	246
Northern Ireland	259	50	912	30

Source | [CEBR Analysis](#)

Focusing on the constituent UK nations, Scotland enjoys the second largest number of jobs directly supported by Qatari enterprises, while Wales collects the second largest turnover attributable to these businesses. The aforementioned Qatari investments in the South Hook LNG Terminal and South Hook Gas were the main drivers of the £6.6 billion lift to Welsh turnover in 2022.

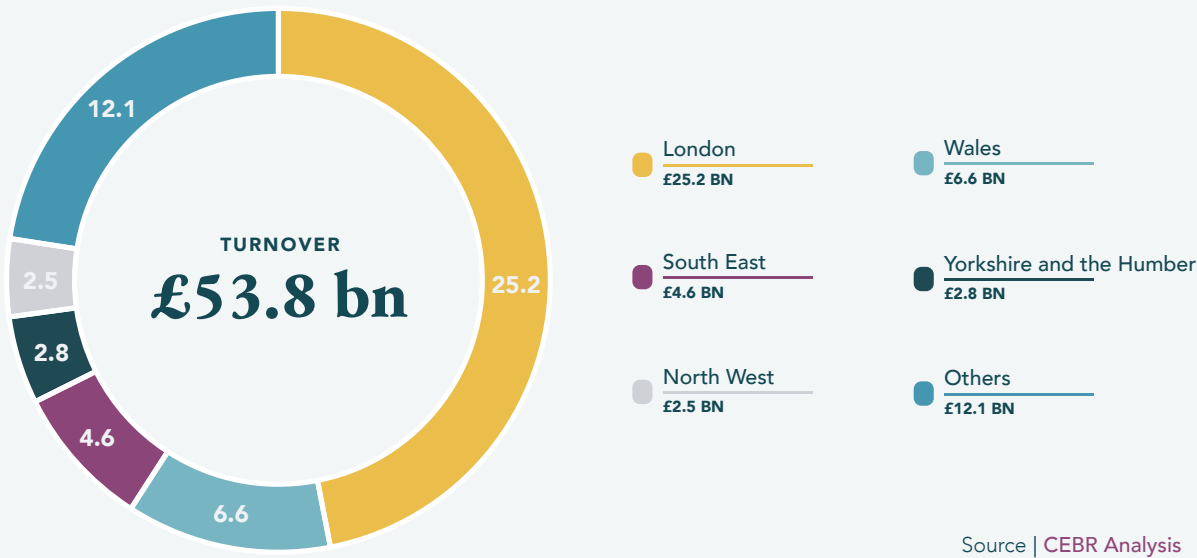
Notably, Qatari operations in Wales saw worker productivity levels much greater than the Welsh average. In 2022, while each full-time equivalent employee working in a Qatari-owned business contributed an average £129,071 to GVA, the average Welsh worker contributed £67,007. Such support to local productivity is particularly important to a nation where output per hour was 17.3% below the UK average and that had the lowest productivity ITL3 subregion in the UK in 2022.¹⁵

¹⁵ | Regional and subregional labour productivity, UK: 2022, Office for National Statistics. ITL3 refers to International Territorial Level 3, which divides the UK geography into 179 subregional units.

Figure 18 summarises the regional impact on turnover made by Qatari operations in this year, which sums to a total of £53.8 billion.

FIGURE 18

Regional turnover from Qatari-owned businesses, £ billion, 2022



Employment in Qatari-owned businesses sometimes differed from the general distribution of employment across the UK. For example, while 3.4% of all UK employment was concentrated in the North East¹⁶, this region accounted for 3.7% of employment in Qatari-owned businesses. This indicates that Qatari operations employed a relatively larger proportion of their workforce in the North East compared to the national average. Notably, in 2022, the North East also had the highest unemployment rate among the English regions¹⁷ suggesting that Qatari investments in this area may play an important role in supporting local employment where it is most needed.

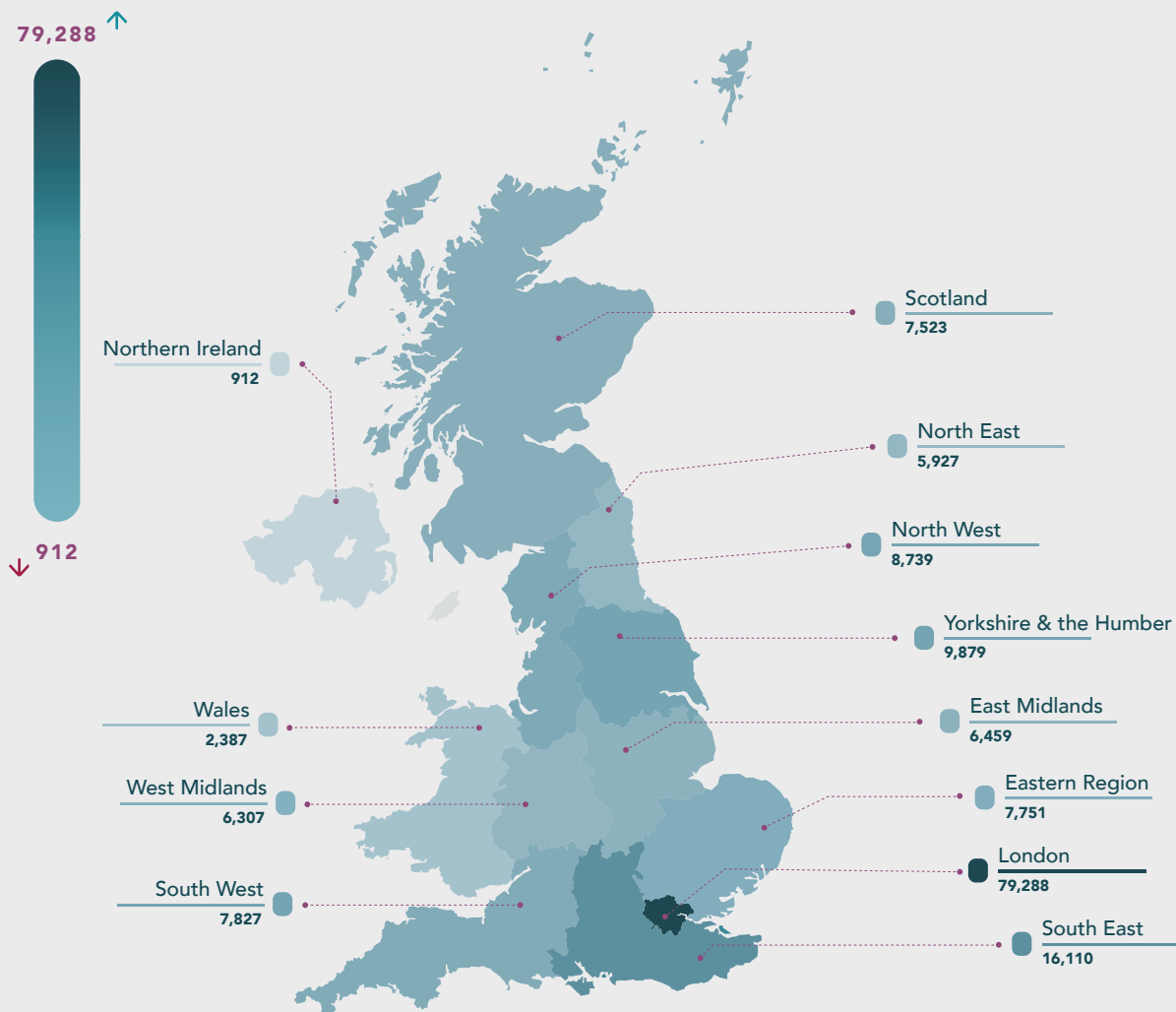
Figure 19 visually represents the employment trends described in the table above, and further illustrates the direct employment supported by Qatari-owned businesses across every region and nation in the UK.

¹⁶ | Business Register and Employment Survey, Office for National Statistics, 2022.

¹⁷ | Labour market in the regions of the UK: December 2022, Office for National Statistics.

FIGURE 19

Employment in Qatari-owned businesses across the UK (FTEs), in 2022



Source | CEBR Analysis

5.2 The aggregate economic impact of Qatari operations by UK region

In this section, we summarise our findings on the regional aggregate impact of Qatari operations for the four macroeconomic indicators covered in the previous subsection.

In order to estimate the aggregate economic impact of Qatari operations at the regional level, the direct economic impacts as already estimated were combined with Cebr's regional economic impact models, within which the activities of Qatari-owned businesses were separately identified and isolated. These were used to identify indirect and induced economic impacts, which refer, respectively, to the economic activity generated in the supply chains where Qatari businesses stimulate demand, and in the wider economy as employees and suppliers spend their earnings.

THE AGGREGATE ECONOMIC IMPACTS FOR BUSINESS TURNOVER AND GVA BY REGION

Table 6 presents the aggregate economic impacts for business turnover and GVA in 2022, alongside the multipliers for London and other regions.

TABLE 06

Aggregate turnover and GVA contributions by region, (£ million), 2022¹⁸

	TURNOVER			GVA		
	DIRECT	MULTIPLIER	AGGREGATE	DIRECT	MULTIPLIER	AGGREGATE
London	25,247	2.26	57,040	8,870	3.64	32,314
Other Regions	28,545	2.31	65,944	4,566	3.77	17,220
North East	1,683	2.23	3,746	326	3.51	1,145
North West	2,481	2.34	5,796	481	3.76	1,808
Yorkshire and The Humber	2,805	2.33	6,541	543	3.74	2,034
East Midlands	1,834	2.32	4,264	355	3.73	1,326
West Midlands	1,791	2.30	4,115	347	3.67	1,272
East of England	2,201	2.34	5,147	426	3.77	1,608
South East	4,574	2.32	10,633	886	3.74	3,313
South West	2,222	2.37	5,271	430	3.84	1,651
England	44,838	2.30	102,905	12,664	3.69	46,710
Wales	6,559	2.20	14,452	308	3.47	1,068
Scotland	2,136	2.35	5,029	414	3.79	1,570
Northern Ireland	259	2.31	599	50	3.71	186

Source | CEBR Analysis

The economic impact of Qatari-owned businesses in the UK is notable across both London and other regions. In terms of turnover, Qatari operations in London contributed a direct turnover of £25.2 billion, which, with a multiplier of 2.26, resulted in an aggregate turnover impact of £57 billion. In comparison, Qatari-owned businesses in other regions generated a higher direct turnover of £28.5 billion. With a slightly higher multiplier effect of 2.31, this led to an aggregate turnover impact of £65.9 billion, underscoring the significant reach of Qatari investments outside of the capital. Turnover multipliers were largest in the South West: in this region for every £1 of direct turnover produced, another £1.37 was generated elsewhere in the region.

¹⁸ | Note that these estimates capture the impacts of Qatari operations in a region, on that region itself. They do not take account of the impact of regional Qatari operations on other regions, when Qatari-owned businesses need to draw on suppliers outside of the region in which they themselves are located. Therefore this also means that the sum of the aggregate regional impacts is less than the total aggregate impact in England.

This same trend is observed for GVA: for every £1 of GVA directly generated, a further £2.84 was supported through indirect and induced effects, with this multiplier being the highest amongst the UK regions.

Interestingly, although the economic impacts associated with Qatari operations in Scotland were low relative to other regions, the multipliers (for both GVA and turnover) were the second highest across the UK. Although the level of, for instance, aggregate GVA supported in Scotland was lower than in London, its multiplier was comparatively greater. This means that each £1 of GVA produced by Qatari operations in Scotland generated more GVA elsewhere in the regional economy than it did when produced in London.

THE AGGREGATE ECONOMIC IMPACTS FOR EMPLOYMENT AND THE COMPENSATION OF EMPLOYEES BY REGION

Table 7 presents the aggregate economic impacts for employment and employee compensation in 2022, alongside the multipliers for London and other regions.

TABLE 07

Aggregate employment and employee compensation by region, 2022¹⁹

	EMPLOYMENT			COMPENSATION OF EMPLOYEES (£M)		
	DIRECT	MULTIPLIER	AGGREGATE	DIRECT	MULTIPLIER	AGGREGATE
London	79,288	3.61	285,834	4,310	3.54	15,240
Other Regions	79,819	3.79	302,254	2,625	3.86	10,136
North east	5,927	3.51	20,821	194	3.47	674
North West	8,739	3.77	32,962	286	3.72	1,065
Yorkshire and The Humber	9,879	3.74	36,986	323	3.69	1,194
East Midlands	6,459	3.75	24,229	211	3.68	779
West Midlands	6,307	3.67	23,169	206	3.63	750
East of England	7,751	3.80	29,478	254	3.74	949
South East	16,110	3.76	60,516	527	3.70	1,953
South West	7,827	3.84	30,067	256	3.79	970
England	148,286	3.70	547,970	6,568	3.66	24,035
Wales	2,387	3.47	8,270	91	3.41	310
Scotland	7,523	3.78	28,468	246	3.74	922
Northern Ireland	912	3.71	3,379	30	3.66	109

Source | CEBR Analysis

¹⁹ | As in Table 2, the sum of the aggregate regional impacts does not equal the English estimate.

Qatari-owned businesses in the UK have a significant employment impact across both London and other regions. In London, these businesses directly supported 79,288 Full-Time Equivalent jobs in 2022. With a multiplier of 3.61, this led to an aggregate employment impact of 285,834 FTE jobs, indicating that each job directly created in London supported an additional 2.61 jobs in other sectors in the region through indirect and induced effects.

In other regions, Qatari-owned businesses directly supported a slightly higher number of FTE jobs, totalling 79,819. The employment multiplier outside London was 3.79, resulting in an aggregate employment impact of 302,254 FTE jobs, accounting for about 51% of the aggregate employment impact. This higher multiplier effect in other regions demonstrates the broad economic reach of Qatari investments outside the capital, where each job directly created supports nearly three additional jobs in these regions.

The highest composite multipliers were once again enjoyed by the South West, with each full-time equivalent job directly created by Qatari-owned businesses generating almost 3 more jobs across the economy. The employment multiplier for the East of England is the second highest, suggesting that, even though direct Qatari employment in this region was not the largest, each job directly supported in the East was associated with more new jobs in the regional economy than, for instance, each job supported in London was.

CASE STUDY 2:

Qatar's investment in South Hook LNG Terminal

Qatar, through QatarEnergy has made a substantial investment in the South Hook LNG Terminal in Milford Haven, Pembrokeshire. The terminal, one of Europe's largest LNG import facilities, is integral to the UK's energy supply chain. QatarEnergy, in collaboration with ExxonMobil and TotalEnergies, has committed over £1 billion to the terminal's development and expansion.

ENHANCING ENERGY SECURITY

South Hook LNG can process up to 15.6 million tonnes of LNG annually. The terminal's ability to meet up to one-fifth of the UK's natural gas requirements makes it a vital component of the nation's energy infrastructure. As the UK diversifies its energy sources and increases reliance on renewables, QatarEnergy's investment in South Hook provides a crucial buffer against supply disruptions and market volatility. The consistent flow of LNG through South Hook ensures the UK has access to a flexible and reliable supply of natural gas, particularly during periods of high demand or when renewable energy output is insufficient.

STRATEGIC ROLE OF SOUTH HOOK'S KEY ENTITIES

Two key entities participate in the operation and commercial management of the South Hook terminal:

- South Hook LNG Terminal Company Ltd: This entity owns and operates the terminal's physical infrastructure. It is a joint venture between QatarEnergy (67.5%), ExxonMobil (24.15%), and TotalEnergies (8.35%). The company is responsible for the regasification of LNG and its delivery into the UK's national gas grid.



- South Hook Gas Company Ltd: This commercial entity manages the terminal's regasification capacity. It is a joint venture between QatarEnergy (70%) and ExxonMobil (30%). With 100% of the terminal's primary capacity rights, South Hook Gas ensures a steady and reliable import of LNG, primarily from Qatar. The company also markets any spare capacity at the terminal, allowing third-party companies to import LNG when available. This enhances energy security for the UK and optimizes the terminal's operational capacity.

ECONOMIC IMPACT

The cumulative direct impacts of the terminal over the 15 years under review are:

- Gross Value Added (GVA): £1.9 billion
- Employment: 1,604 job years
- Compensation of Employees: £182 million

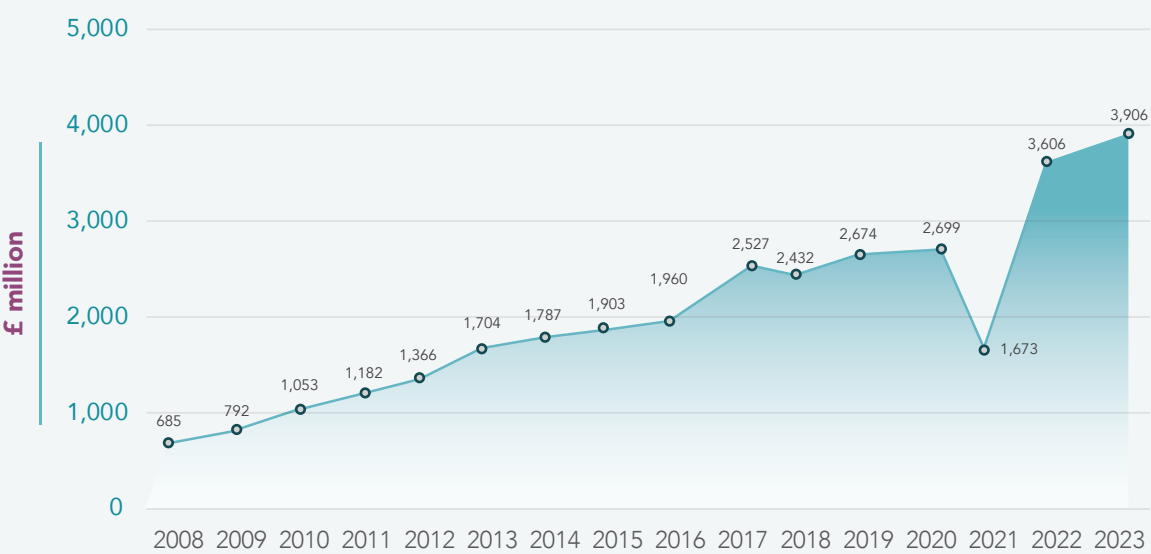
06 | ECONOMIC IMPACT OF TRADE WITH QATAR²⁰

6.1 UK exports to Qatar

OVERVIEW OF EXPORTS

Qatar has become an increasingly important export market for the UK, ranking as the UK's 23rd largest export destination overall and the 3rd largest in the Middle East as of 2023. The UK has seen substantial growth in its exports to Qatar since 2008, increasing from £685 million to a historic peak of £3.9 billion in 2023. The substantial growth in UK exports to Qatar over the past 15 years reflects a deepening economic partnership that benefits both countries. Qatar represents a valuable and growing market for the UK for a range of goods and services. This trade relationship supports key UK industries, such as the manufacturing sector, providing UK businesses with revenue opportunities and strengthening their competitive position globally.

FIGURE 20
Evolution of total UK exports to Qatar, 2008-2023



Source | ONS

In 2023, the UK exported goods and services to Qatar worth £3.9 billion. The largest export category was aircraft, worth £975 million, representing a quarter of the total exports. Other key exports included mechanical power generators (23% of exports) and jewellery (15%), underscoring the diverse range of UK exports to Qatar, with machinery and high-value items making up a substantial portion.

²⁰ | This section is based on trade statistics retrieved from the UK's Office for National Statistics (ONS).

We examined trends in the four primary export categories: power-generating machinery, aircraft, jewellery, and road vehicles. Figure 20 illustrates the evolution of these categories from 2008 to 2023. Power-generating machinery has consistently been the leading export category; however, in 2023, aircraft exports surpassed it.

The dip in UK exports to Qatar in 2021, particularly in categories like power-generating machinery, jewellery, and aircraft, can be linked to widespread supply chain disruptions. The COVID-19 pandemic created a series of bottlenecks in global supply chains, leading to shortages of essential materials, delays in shipping, and significant increases in transport costs. Specific to the manufacturing sector, a shortage of semiconductors impacted machinery and transport equipment exports, including items like power-generating machinery and vehicles, as these components are critical to production.

FIGURE 21
Exports of goods to Qatar by product, £ million, 2023

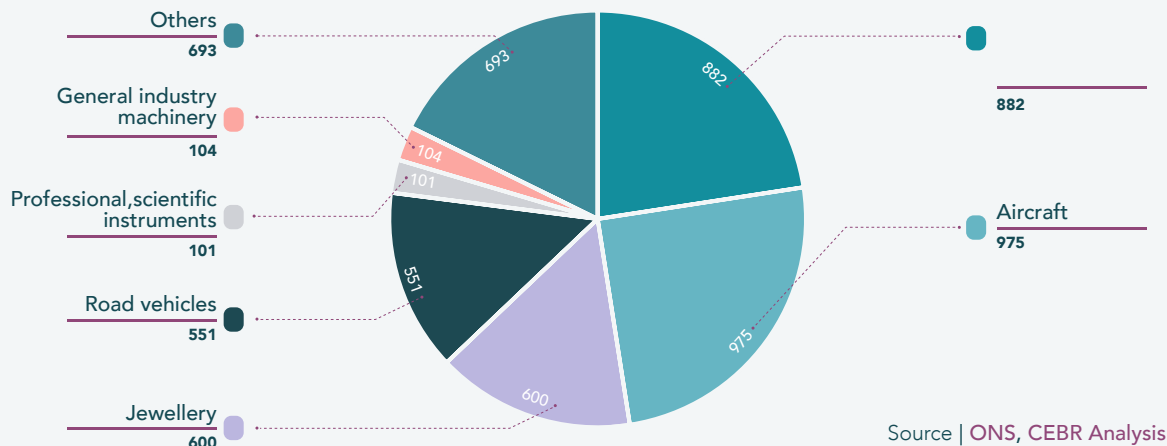
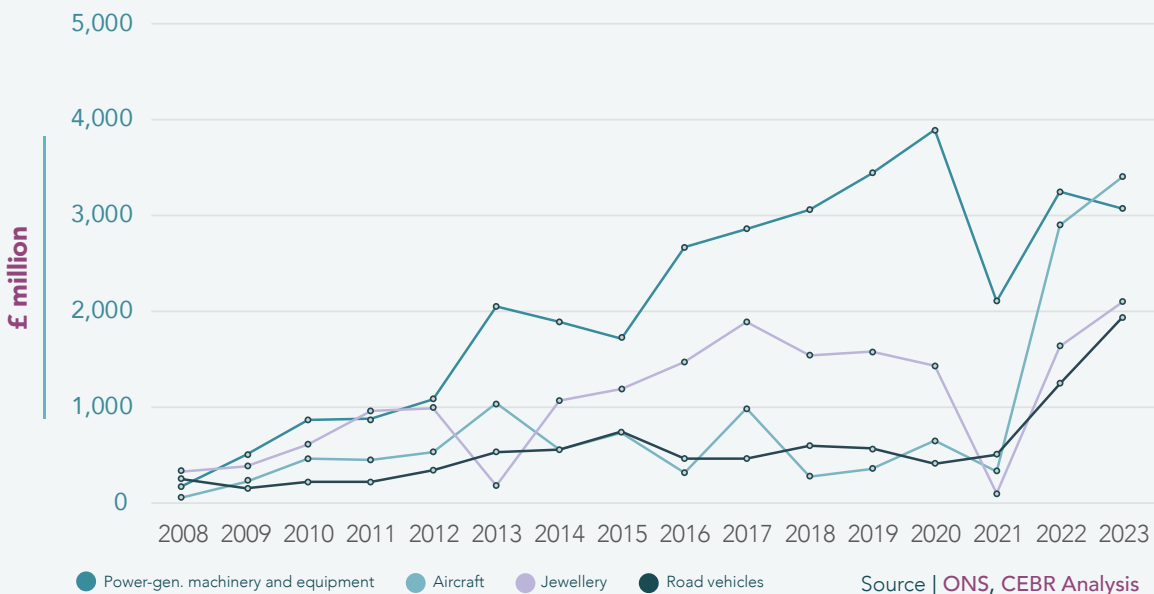


FIGURE 22
Evolution of top UK exports to Qatar by product, 2008-2023

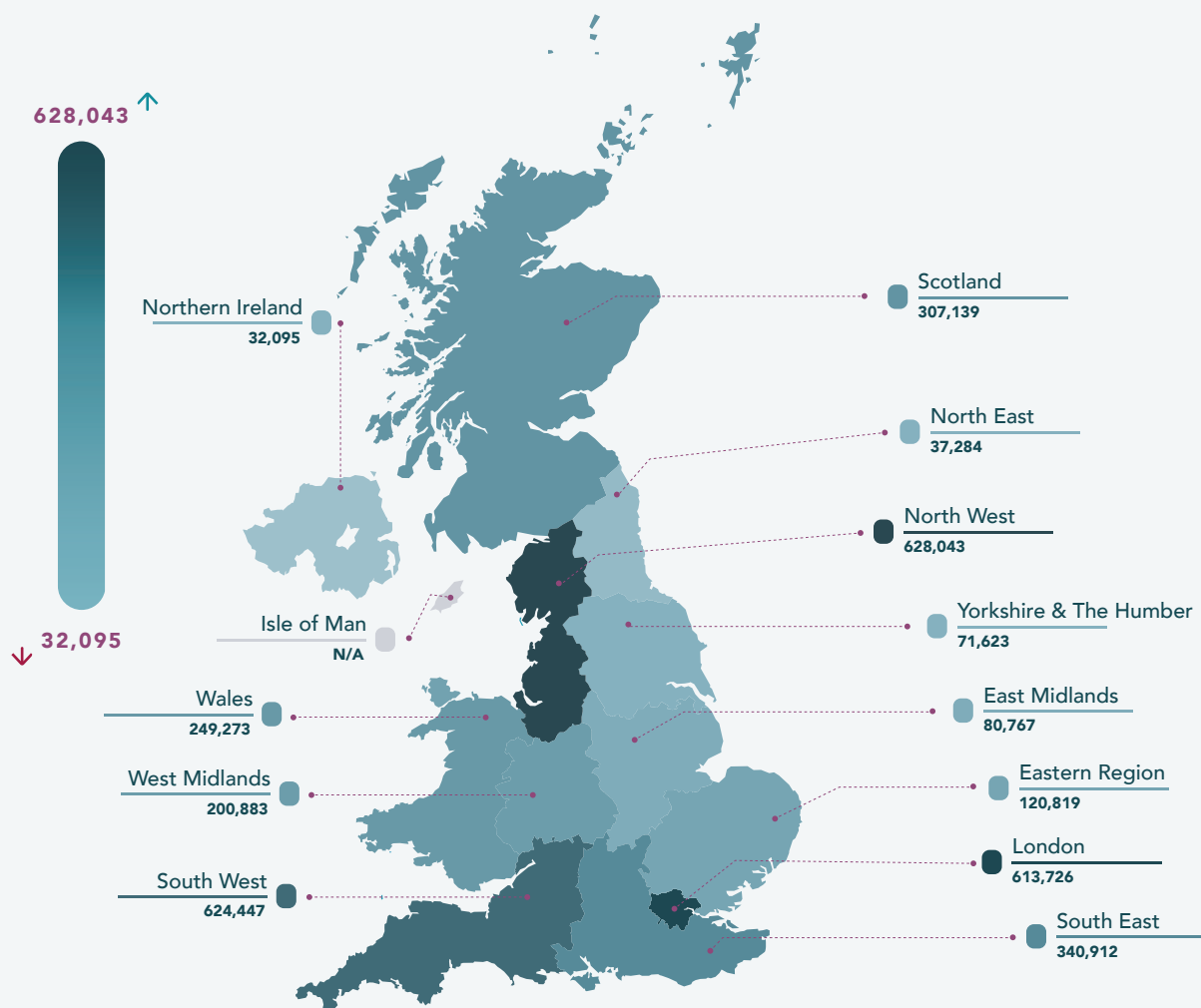


EXPORTS BY REGION

Our regional analysis, illustrated in Figure 23, reveals that the North West is the leading region for UK exports to Qatar, contributing 18.8% of total exports, valued at £628 million. The primary export categories from the North West to Qatar are machinery and transport equipment, which together account for a substantial 86.1% of the region's exports to Qatar.

FIGURE 23

Regional heatmap of UK exports to Qatar, £ thousands



Source | UK Trade Info, CEBR Analysis

The South West ranks as the second largest contributor, responsible for 18.7% of total UK exports to Qatar, or £624 million. Similar to the North West, the South West's exports are dominated by machinery and transport equipment, which comprise 88.1% of the region's exports to Qatar.

London, the third largest exporting region, contributed 18.4% of UK exports to Qatar. However, the composition of exports from London differs from other regions, with miscellaneous manufactured articles representing the largest share at 85.8%, while machinery and transport equipment make up only 8.4% of its exports.

UPSTREAM IMPACT OF UK EXPORTS TO QATAR

This section evaluates the economic contributions generated by UK exports to Qatar, focusing on the direct impacts within the UK economy. Our analysis for 2022 highlights three key performance indicators: turnover, gross value added (GVA), and employment. These metrics provide a comprehensive view of how exports to Qatar support economic activity, contribute to GDP, and sustain jobs across various sectors in the UK.

FIGURE 24
Direct economic impact of UK exports to Qatar, 2022



Source | ONS, CEBR Analysis

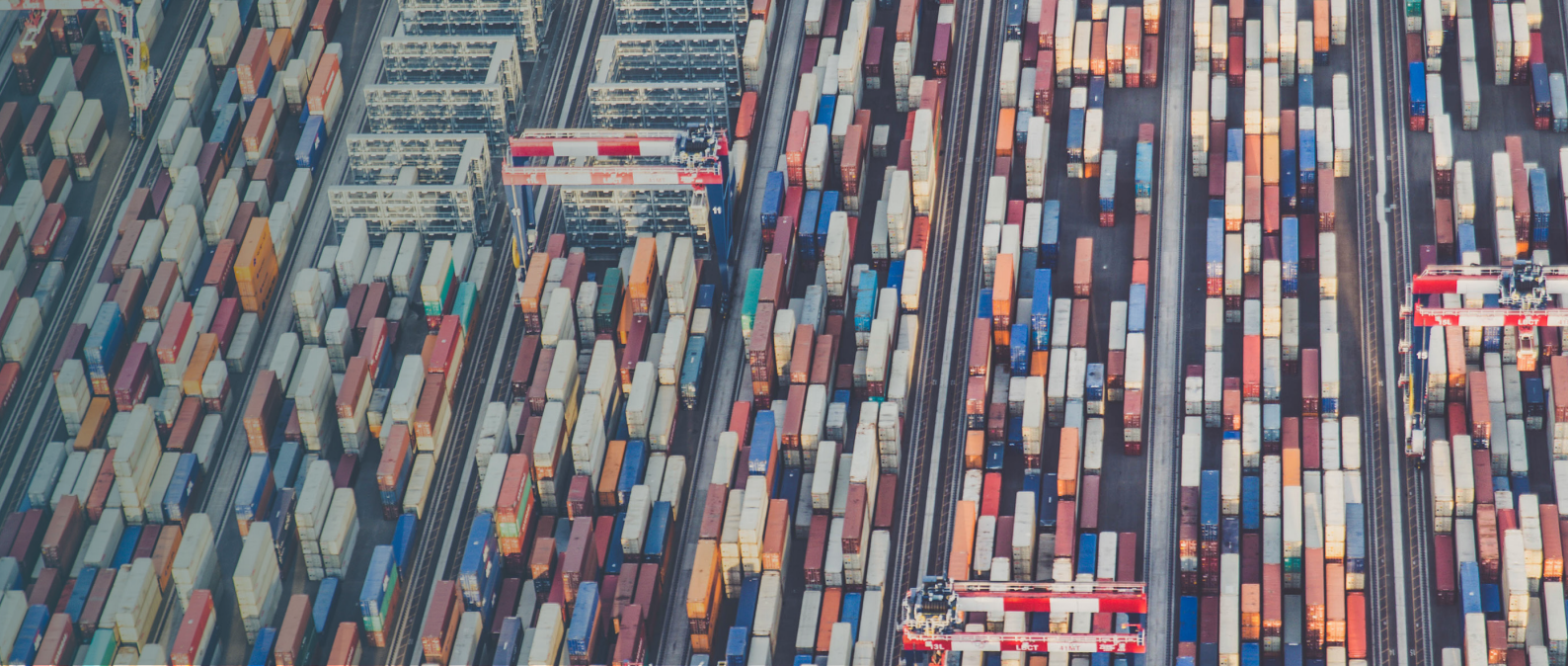
In 2022, UK exports to Qatar generated a direct turnover of £3.6 billion, indicating the revenue gained from exporting goods and services to this market. This turnover reflects the strong demand for UK-produced machinery, transport equipment, and other high-value goods in Qatar. The gross value added from these exports amounted to £976 million in 2022. GVA represents the contribution of exports to the UK’s GDP after accounting for the cost of inputs, essentially reflecting the net economic value created by these export activities. Employment contributions from UK exports to Qatar were also significant, supporting an estimated 20,185 full-time equivalent (FTE) jobs in 2022.

Using our Input-Output models, we estimated the upstream effects—comprising both indirect and induced impacts—of UK exports to Qatar.

FIGURE 25
Aggregate economic impacts of UK exports to Qatar, 2022



Source | ONS, CEBR Analysis



In addition to the direct turnover of £3.6 billion generated by these exports, indirect effects contributed an additional £2.3 billion as a result of demand cascading through various supply chains within the UK. This includes the economic activity generated by UK suppliers that provide goods and services supporting these exports. The induced impacts, valued at £1.5 billion, stem from spending by employees whose jobs are directly or indirectly linked to these export activities, further boosting the UK economy. Altogether, the aggregate turnover impact reaches £7.4 billion, encompassing direct, indirect, and induced effects.

In terms of GVA, the total contribution amounts to £2.3 billion, with £798 million coming from indirect impacts and £557 million from induced impacts. Employment also sees a significant upstream effect, supporting an estimated 46,741 FTE jobs in total—20,185 directly, with an additional 16,812 through indirect employment and 9,744 via induced employment. These figures underscore the broader economic ripple effects of UK exports to Qatar, as the initial demand for UK goods and services spurs additional economic activity, sustaining jobs and generating value across multiple industries nationwide.

6.2 UK imports from Qatar

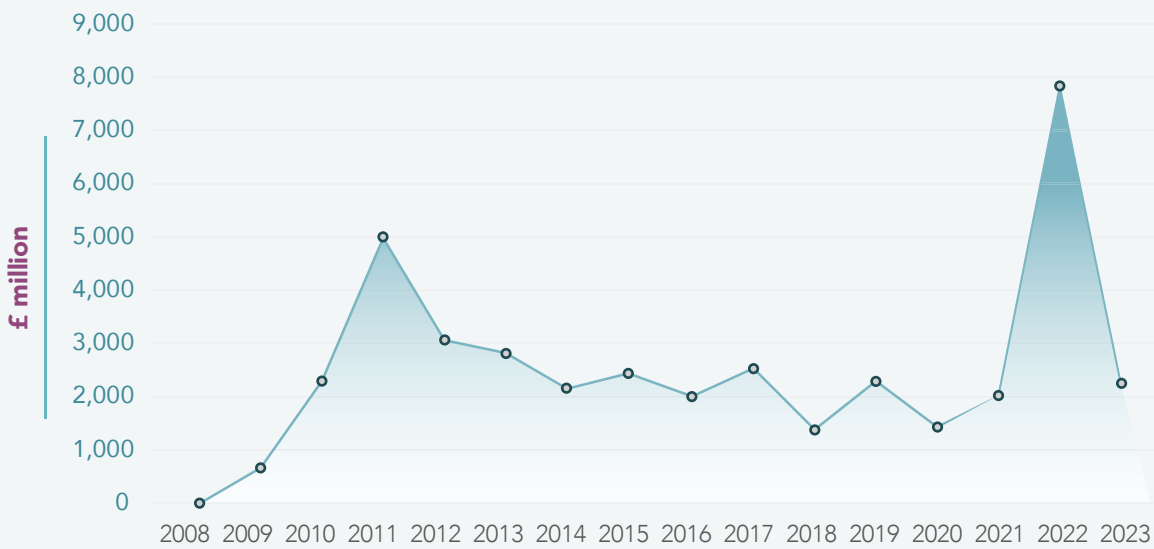
OVERVIEW OF IMPORTS

The UK's imports from Qatar, primarily driven by liquefied natural gas (LNG), highlight Qatar's essential role in supporting the UK's energy needs and enhancing energy security. Qatar has become a key energy partner, supplying a significant portion of the UK's natural gas imports, which is crucial for heating, electricity generation, and overall economic stability.

Unlike the steady growth of UK exports to Qatar, imports from Qatar have changed significantly depending on the year, with major peaks in 2011 and 2022 closely tied to global energy market dynamics and the UK's energy requirements. As illustrated in Figure 26, the 2011 spike was driven by a temporary reduction in Norwegian gas supplies, prompting the UK to increase its reliance on Qatari gas. Similarly, the 2022 peak was largely due to the Russia-Ukraine conflict, which disrupted

Russian gas supplies to Europe and led the UK to seek alternative energy sources. In response, Qatar provided a critical supply of liquefied natural gas (LNG), driving UK imports from Qatar to a record high of £7.8 billion in 2022.

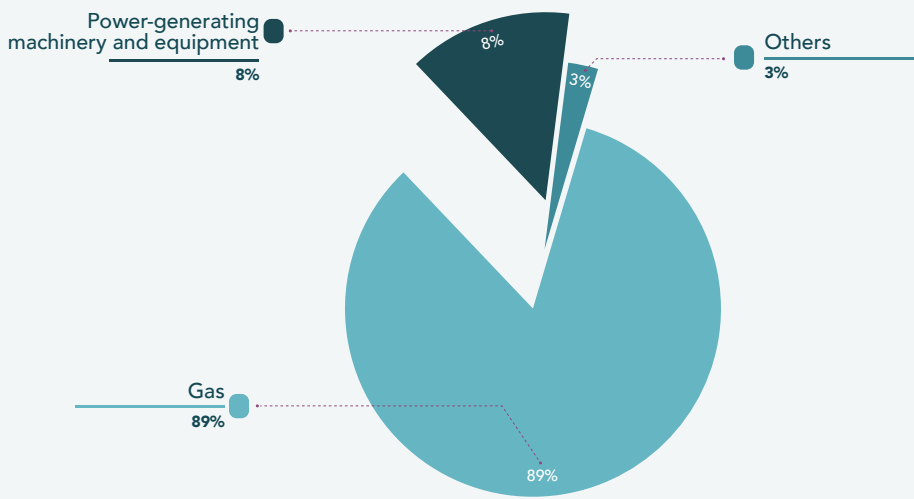
FIGURE 26
Evolution of total Qatari imports in the UK, 2008-2023



Source | ONS, CEBR Analysis

Figure 27 shows that gas accounted for 89% of UK imports from Qatar in 2022, amounting to £6.9 billion. Power-generating machinery and equipment represented the second-largest category, contributing 8% of total imports (£604 million). Smaller categories, such as professional scientific instruments and oil, made up the remaining 3%, underscoring the UK’s reliance on Qatari gas to meet its energy needs.

FIGURE 27
Categories of goods imported as a % of total imports from Qatar, 2022

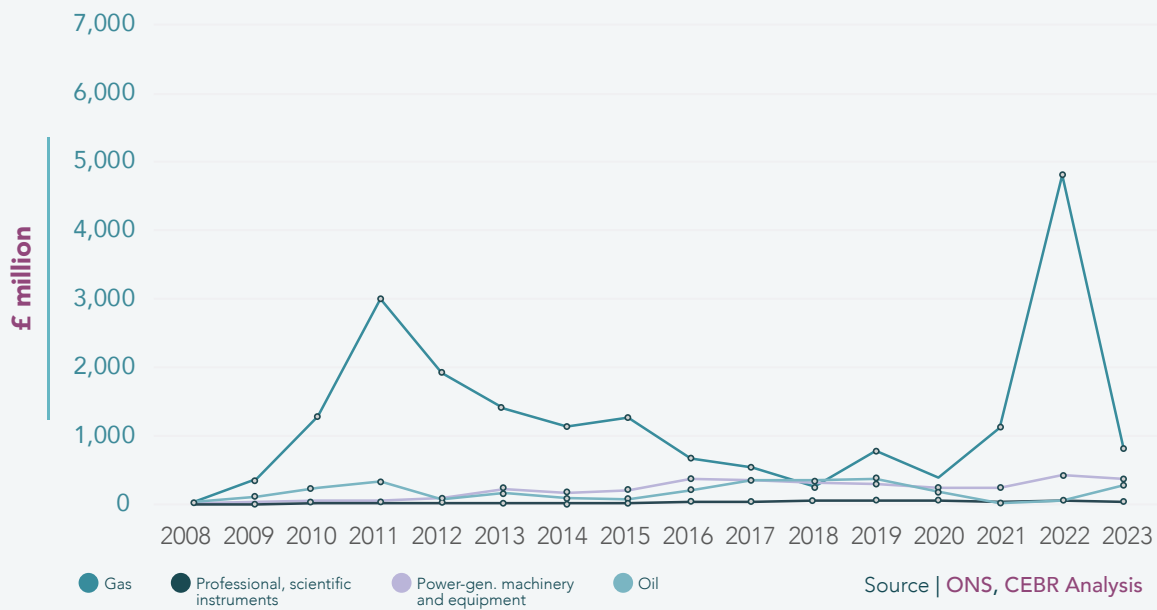


Source | ONS, CEBR Analysis

Gas consistently dominates UK imports from Qatar, with fluctuations in this category significantly impacting overall import levels. Other categories, such as power-generating machinery and equipment, and smaller imports like professional scientific instruments and oil, have remained relatively stable over the years. This pattern underscores the strategic role of Qatari LNG in the UK's energy portfolio, especially in times of global supply instability.

FIGURE 28

Evolution of top UK imports from Qatar, 2008-2022



DOWNSTREAM IMPACTS OF UK GAS IMPORTS FROM QATAR

While UK exports create “upstream impacts” by generating economic activity through the production of goods and services, UK imports—especially Qatari gas—serve as critical “inputs” that fuel domestic production. In this section, we examine the “downstream impacts” of Qatari gas imports, meaning the economic value generated as this imported gas flows through UK industries.

Given the dominant role of gas in UK imports from Qatar, our analysis focuses on how the use of Qatari gas supports UK business revenue, contributes to Gross Value Added (GVA), and sustains employment across various sectors. These impacts are interpreted through three key indicators:

- **Turnover:** This reflects the revenue generated by UK businesses that use Qatari gas in their production processes.
- **Gross Value Added:** Represents the net economic contribution made by using Qatari gas, indicating how much value is added to the UK economy through its utilisation.
- **Employment:** Captures the number of full-time equivalent (FTE) jobs supported in industries that rely on Qatari gas as an input.



FIGURE 29

Downstream impact of UK gas imports from Qatar, 2022



Source | ONS, CEBR Analysis

In 2022, UK imports of Qatari gas facilitated a downstream turnover of £8.2 billion. This indicates the scale of business revenue generated across sectors that depend on this energy source. The use of Qatari gas contributed £2.5 billion in GVA, underscoring its vital role in adding net economic value within the UK. Additionally, the use of Qatari gas supported approximately 27,700 full-time equivalent (FTE) jobs across various sectors, indicating the wide-reaching employment impact of this essential energy input.

While these downstream impacts are indirect and not strictly causal, they provide a clear view of how Qatari gas imports support economic activity across the UK's industrial landscape.

CASE STUDY 3:

Strategic LNG agreement at the Isle of Grain terminal

In October 2020, QatarEnergy signed a 25-year agreement with the UK's National Grid Grain LNG terminal. This contract grants QatarEnergy's affiliate, Qatar Terminal Limited, access to 7.2 million tonnes per annum of LNG receiving and storage capacity starting mid-2025. This agreement plays a crucial role in securing LNG supply for the UK and enhances Qatar's presence in Europe's energy market.

The Isle of Grain LNG terminal, the largest in Europe, has a storage capacity of one million cubic meters across 8 tanks. It processes up to twenty billion cubic meters of natural gas annually, about 25% of the UK's total gas demand. The agreement includes provisions for future expansions, potentially increasing the terminal's throughput to 25 billion cubic meters annually.

SUPPORTING THE UK'S ENERGY SECURITY

LNG imports are essential for maintaining a reliable supply of natural gas in the UK, especially as renewable energy sources become more prevalent but remain intermittent. By securing capacity at the Isle of Grain terminal, QatarEnergy helps stabilise gas supplies, ensuring the UK has a buffer against energy shortages and mitigating the risk of disruptions during peak demand periods. This partnership enhances the UK's energy security by diversifying its gas supplies, reducing reliance on alternative imports, and maintaining competitive wholesale gas prices through increased market competition.

ECONOMIC IMPACT AND STRATEGIC IMPORTANCE

The Isle of Grain LNG terminal, located in Kent, is a critical component of the UK's energy infrastructure and significantly contributes to the local economy. Since its inception, the facility has attracted over \$1.1 billion in investment and is undergoing a £175 million expansion project to increase its capacity. This expansion includes a new 190,000 cubic meter LNG storage tank, expected to be completed by 2025, enhancing the terminal's capacity to meet approximately 33% of the UK's gas demand. The terminal supports jobs and economic growth in the surrounding community. The partnership between QatarEnergy and National Grid ensures the continued operation of the terminal, benefitting both the national energy landscape and local communities.

This agreement reinforces Qatar's position as a leading LNG exporter and underscores its commitment to the UK energy market. For the UK, securing a long-term partnership with Qatar ensures access to a reliable and flexible LNG supply that complements its renewable energy initiatives and strengthens energy independence by diversifying energy sources.

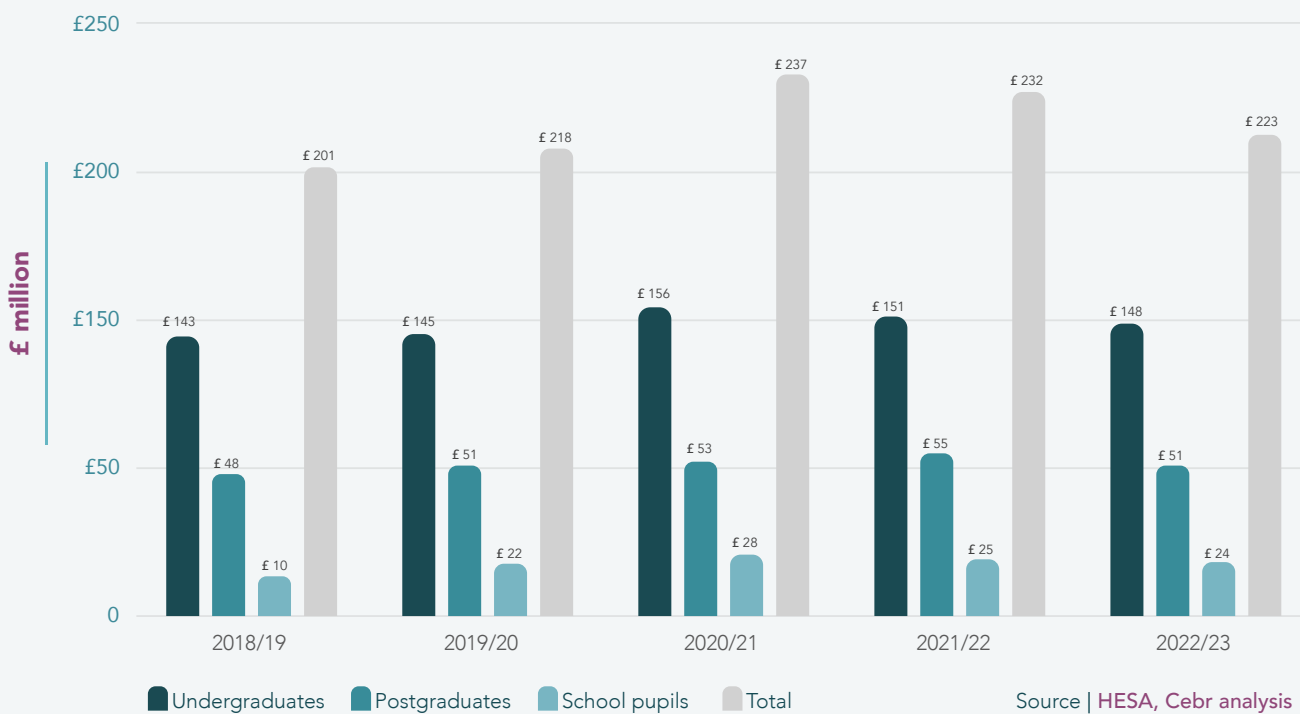


07 | CONTRIBUTION OF QATARI STUDENTS

Over the 2018 to 2023 period, Qatari students contributed £1.1bn to the UK economy through their expenditure on living costs, course-related costs (including fees), and housing costs.

In the 2022/23 academic year, Qatari students contributed an estimated £223 million to the UK economy through their expenditure on living costs, course-related costs (including tuition fees), and housing. As shown in Figure 30, undergraduate students were the largest contributors to this figure, accounting for around 66% of total expenditure by Qatari students in 2022/23. This predominance is due to both the relatively high number of undergraduates—1,915 out of a total 2,978 Qatari students—and their higher average fees compared to postgraduates (£19,621 for undergraduates versus £14,870 for postgraduates in 2022/23).

FIGURE 30
Expenditure by Qatari students, current prices, 2018/19 - 2022/23



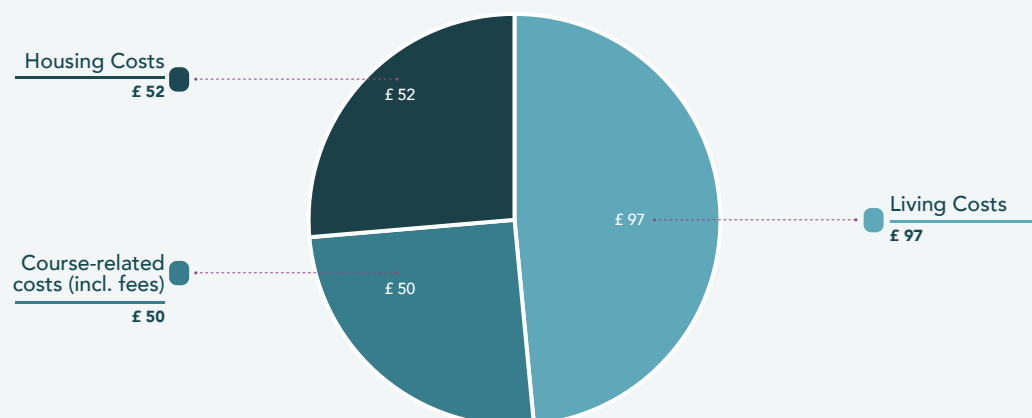
In Figure 31, we present a breakdown of Qatari university students’ expenditure in the 2022/23 academic year, categorised according to the structure used in the Student Income and Expenditure Survey. This breakdown highlights three main categories: living costs, housing costs, and course-related expenses.



Living costs emerged as the largest expenditure category, totalling £97 million. This category includes spending on essentials such as food and beverages, personal entertainment, non-course-related travel, clothing, and other personal items. Following closely are housing costs, which amounted to £52 million and include rent or mortgage payments, utilities, etc. Course-related costs make up the remaining £50 million and include international student fees, course materials, and travel specifically related to studies.

FIGURE 31

Qatari university students' expenditure, £ million, 2022/23



Source | HESA, CEBR Analysis

CASE STUDY 4:

QIA's investment in Rolls-Royce SMR Ltd

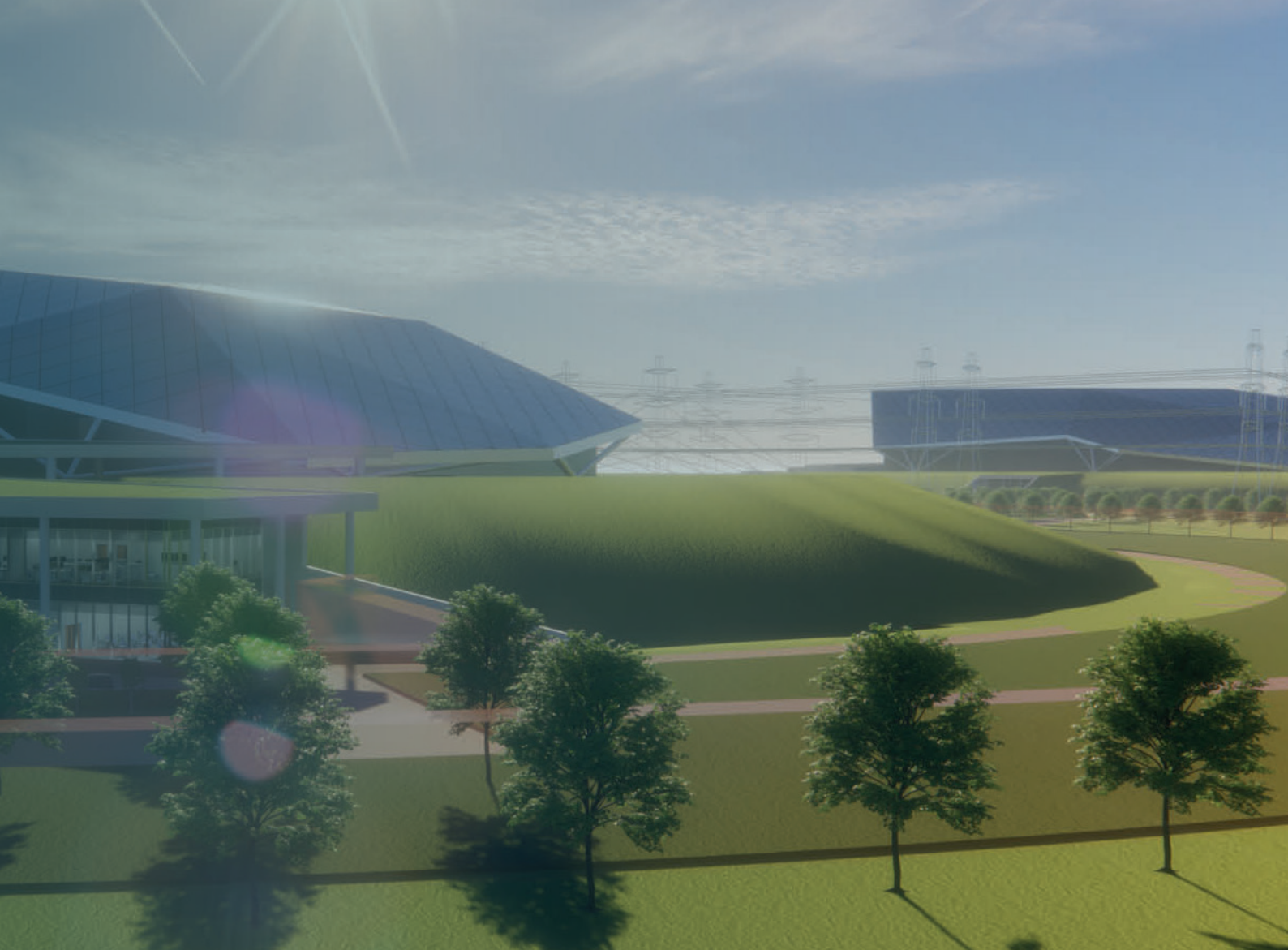
QIA, the sovereign wealth fund of the State of Qatar, has invested GBP 85 million in Rolls-Royce SMR Ltd, acquiring a 10% equity stake in the company. Rolls-Royce SMR is focused on the development of Small Modular Reactors (SMRs), a cutting-edge technology designed to deliver affordable, low-carbon nuclear power. A single SMR power station will occupy just one-tenth the space of a conventional nuclear site while providing enough electricity to power one million homes. The investment aligns with QIA's long-term strategy to support sustainable technologies that contribute to the global energy transition, underscoring the importance of clean, reliable energy for future generations.

STRATEGIC IMPORTANCE FOR THE UK

This investment comes at a critical time, both for the UK's energy strategy and the global move towards sustainability. The UK government has set an ambitious target of generating 24 GW of nuclear power by 2050, quadrupling its current capacity, with SMRs playing a crucial role in achieving this goal. Nuclear energy, including SMRs, is viewed as essential to reducing the country's reliance on fossil fuels and ensuring long-term energy security amidst growing concerns over global energy supply. By providing vital capital at a critical stage in the project's development, Qatar is supporting the UK's efforts to meet its ambitious energy targets and strengthen its long-term energy security.

ECONOMIC IMPACT

The Rolls-Royce SMR initiative is expected to create 6,000 jobs by 2025, with a focus on nuclear energy and engineering. By 2050, it is expected to generate 40,000 highly skilled jobs in the UK, delivering an estimated £52 billion in economic benefits. This positions the project as a vital component of the UK's regional development strategy, ensuring that economic growth aligns with its clean energy goals.



ALIGNMENT WITH GLOBAL ENERGY TRANSITION

SMRs are part of the UK's 10-point plan for a green industrial revolution. They represent a significant shift toward low-carbon power generation, providing a consistent and reliable energy supply to support the expansion of renewable energy sources like wind and solar. The ability to factory-produce SMRs reduces construction costs and timeframes, making them a cost-effective solution for meeting the UK's long-term energy needs.

Rolls-Royce's SMR technology is a frontrunner in the global race to develop and deploy SMRs, positioning the UK as one of the leaders in nuclear energy innovation. The UK government has provided strong support for this project, investing £210 million into SMR development as part of its plan to address both energy security and decarbonisation. Rolls-Royce SMR's approval process is already two years ahead of its competitors, with plans to deploy its first unit by the early 2030s.

SMRs, which offer scalable and flexible solutions for generating low-carbon energy, are expected to play a key role in global efforts to combat climate change and ensure a sustainable energy future. By investing in Rolls-Royce SMR, QIA is not only backing a technology that contributes to the UK's energy security, but also building a portfolio of forward-looking companies, many of which are at the forefront of the global energy transition.

Looking Ahead

Looking to the future, Qatar's investment in the UK is expected to expand in both scope and impact. The UK-Qatar Strategic Investment Partnership (SIP), launched in 2022, commits Qatar to invest up to £10 billion over the following five years across fintech, life sciences, and cybersecurity. This initiative will drive economic growth and create high-quality jobs, further solidifying the relationship between the two countries.

In addition to job creation, the SIP will enhance the UK's capabilities in emerging industries. Qatari investments in the UK's economy, as well as its decarbonisation efforts, are expected to play a crucial role in meeting the country's environmental targets. This will support innovation and jobs in the UK's rapidly growing technology sector, as seen in its investment in the Rolls Royce-led consortium developing small modular reactors. Together, these initiatives will not only help the UK economy to make a stable transition to a decarbonised future, but also bolster its energy security, particularly important to the economy in the wake of global supply chain disruptions and geopolitical tensions.

Qatar's diverse portfolio in the UK includes landmark real estate projects, such as the upcoming Chancery Rosewood hotel in Mayfair, developed in partnership with Rosewood Hotels & Resorts. Set to open in 2025, investment in this Grade-II listed building is expected to further bolster the ongoing contributions of Qatari-owned hotels to job creation and Gross Value Added (GVA) within London's hospitality sector. Additionally, QIA and Canary Wharf Group are preparing to redevelop 8 Canada Square into a sustainable mixed-use destination, beginning in 2027, which will have similar impacts.

Moreover, QIA recently invested £500 million in Severn Trent as part of the water company's £12.9 billion investment program, which aims to enhance environmental performance and create 7,000 jobs across the Midlands. This contribution underscores the significant positive impact of Qatar's investment in essential UK infrastructure, and the additional benefits for sustainability.

In parallel, QIA's recent partial divestment from Sainsbury's reflects its evolving investment strategy in the UK. While QIA reduced its stake in the British supermarket chain by about 5% in October 2024, it retains a significant share, which will continue to have major impacts on the UK's GVA, and support tens of thousands of jobs throughout the country.

Qatar has committed £1 billion to a UK-Qatar clean energy partnership, supporting climate technology initiatives, including advancements by Rolls-Royce, and fostering innovation hubs in both nations. This landmark agreement aims to create thousands of highly skilled jobs and boost the UK's position as a clean energy superpower.

Overall, Qatar's sustained and evolving investments across various sectors—from high-end real estate and essential utilities to future-focused industries—demonstrate Qatari investment's continuing contribution to the UK economy. These ongoing and future projects are set to support regional economic development, drive innovation, and enhance the UK's infrastructure, with lasting impacts on the UK's economic landscape.

THE ECONOMIC CONTRIBUTION OF
QATARI INVESTMENT IN THE UK

