

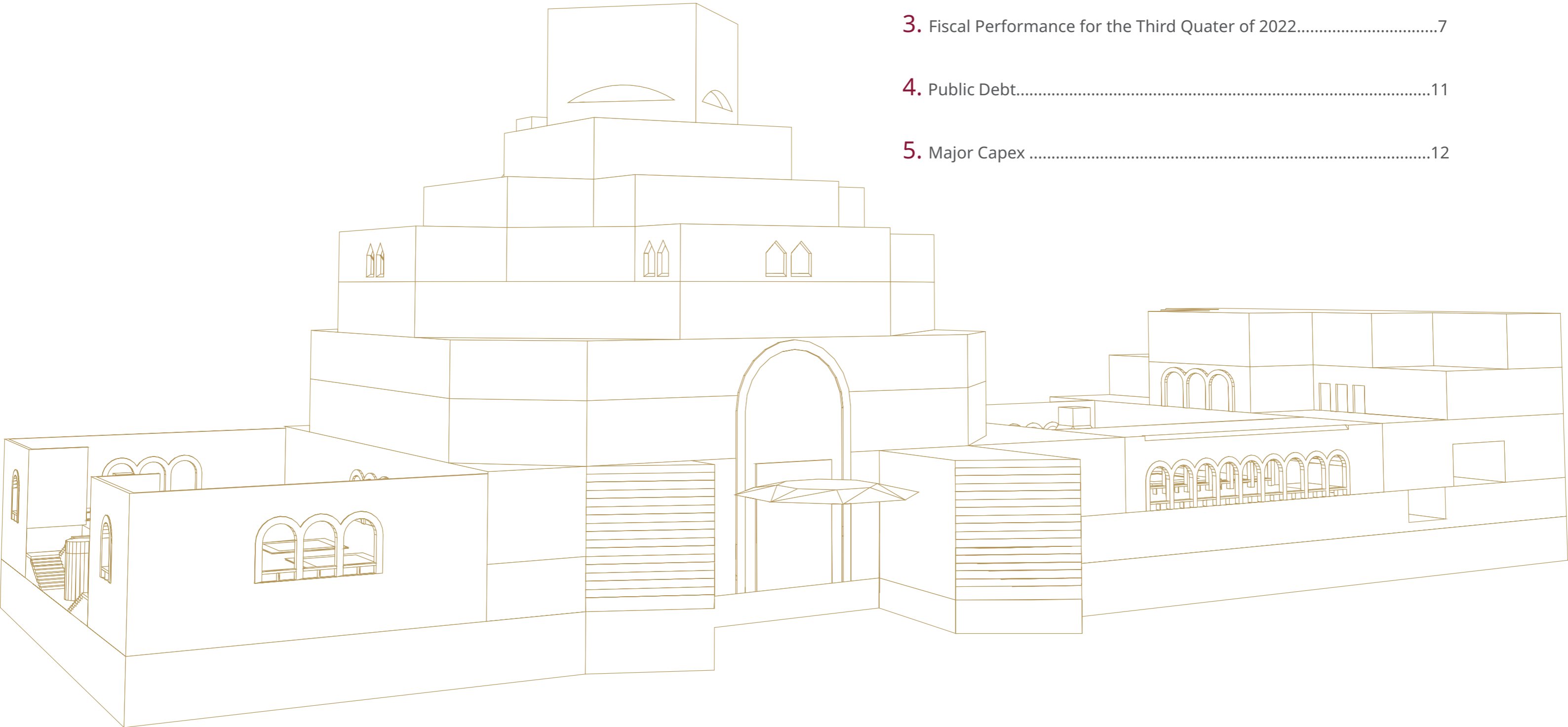
بيان الموازنة العامة
PUBLIC BUDGET STATEMENT

•The Third Quarter of 2022•



CONTENTS

- 1. Executive Summary.....4
- 2. Economic Indicators.....5
- 3. Fiscal Performance for the Third Quarter of 2022.....7
- 4. Public Debt.....11
- 5. Major Capex12



Executive Summary

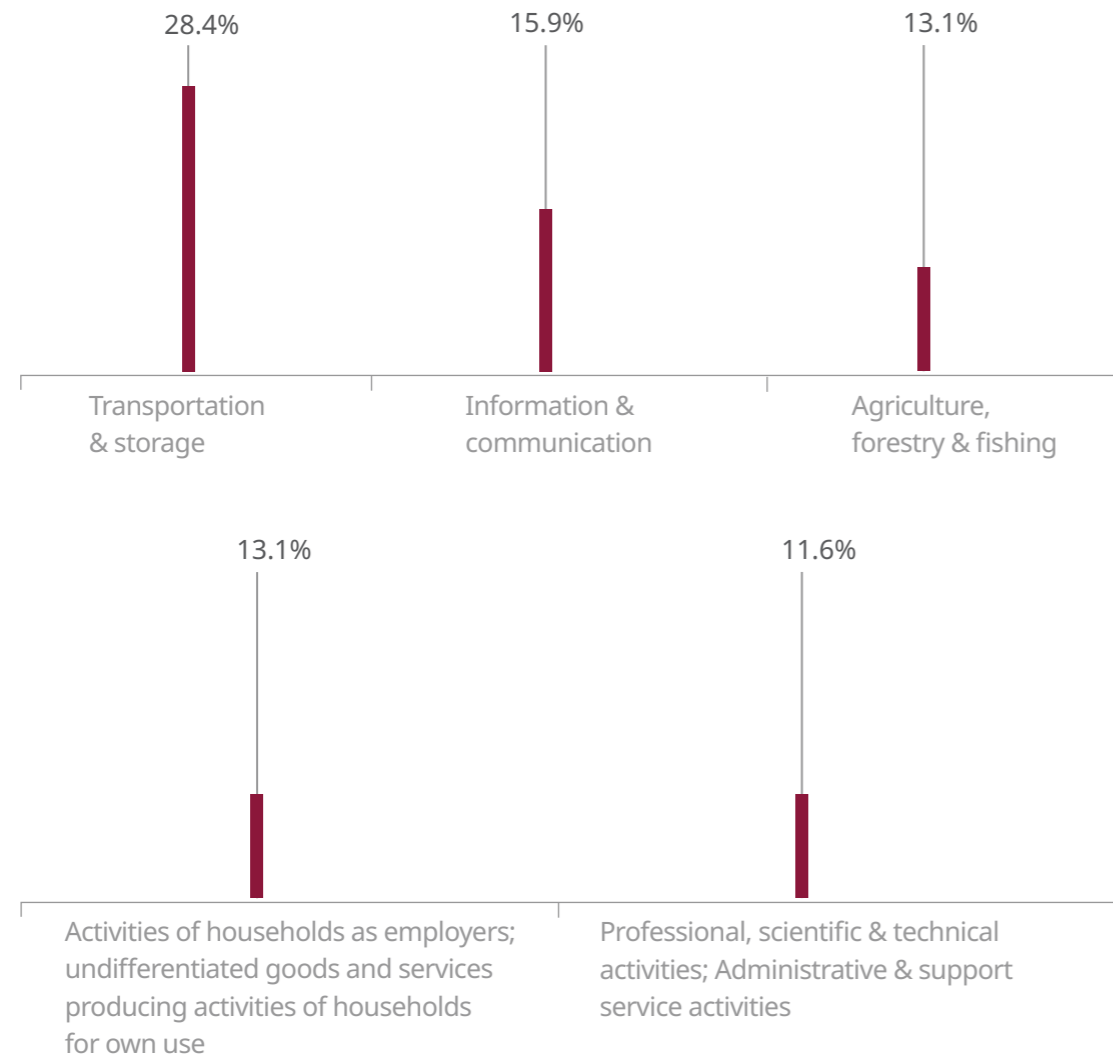
1. According to the Planning and Statistics Authority (PSA), real GDP in Q3-2022 increased 4.3% compared to Q3-2021. The non-hydrocarbon sector recorded a growth of 5.3% and the hydrocarbon sector recorded a growth of 2.7% in Q3-2022 compared with the same period last year.
2. Total revenue amounted to QR 81.9 billion in the third quarter which shows a decline of 4.6% from the previous quarter. Total expenditure for the third quarter of 2022 amounted to QR 51.8 billion, representing a decline of 0.5% compared to the previous quarter. The state budget recorded a surplus of QR 30.1 billion in Q3-2022
3. Chapter IV “Major Capex” increased by 7.8% compared to the previous quarter. Newly awarded projects during the third quarter of 2022 totaled QR 384.3 million.
4. The total public debt figure reached QR 368.9 billion by the end of Q3-2022. It represents a decline of 1.2% in the overall public debt level compared with the level of debt at the end of Q2-2022.

Economic Indicators

According to the Planning and Statistics Authority (PSA), real GDP in Q3-2022 increased by 4.3% compared to Q3-2021. The non-hydrocarbon sector recorded a growth of 5.3% and the hydrocarbon sector recorded a growth of 2.7% in Q3-2022 compared with the same period last year. Transportation and storage sector recorded the highest growth in Q3-2022, increasing by 28.4% compared to Q3-2021.

The robust expansion in the sector was fueled by the surging influx of tourists to the State of Qatar and the ongoing implementation of sustainable public transportation solutions, such as the opening of the Lusail Bus Depot in November 2022. The latter is regarded as the world's largest electric bus depot, boasting a capacity of over 450 buses. The information and communication (‘ICT’) sector continued its growth recording a 15.9% increase in Q3-2022 compared to the same period last year. In the third quarter of 2022, the opening of the first global datacenter region in Qatar by Microsoft was among the factors contributing to growth. This development has created new opportunities for promoting the growth of the local economy, aligning with the country's objectives to diversify its economy, cultivate talent, and attract foreign investment. The agriculture, forestry, and fishing sector, as well as the activities of households, were also among the top-performing sectors, both registering a growth of 13.1% in Q3-2022. The professional, scientific, and technical activities sector recorded an increase of 11.6% in the same period.

Percentage change in sectoral real GDP growth Q3-2022 / Q3-2021



Year On Year Change	Q3-2022	Q2-2022	Q3-2021
Real GDP growth	4.3%	4.4%	2.6%
Hydrocarbon	2.7%	1.2%	-0.7%
Non-Hydrocarbon	5.3%	6.5%	4.7%

Fiscal Performance for the Third Quarter of 2022

Total expenditure during the third quarter of 2022 reached QR 51.8 billion, recording a decline of 0.5% compared to the previous quarter.

Total revenue amounted to QR 81.9 billion which shows a decline of 4.6% in comparison with Q2-2022. Revenue continued to outperform the state budget in the third quarter as oil prices remained higher than the conservative \$55 per barrel budget assumption.

Due to the revenue growth and controlled expenditure, the state budget recorded a surplus of QR 30.1 billion in Q3-2022

Average Oil Price

\$97.7 Per barrel

Total Revenue

81.9 QR bn

Total Expenditure

51.8 QR bn

Surplus

30.1 QR bn

Revenue

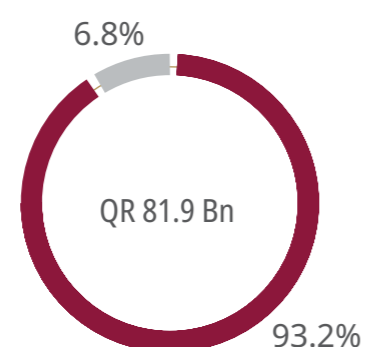
Item (QR Billion)	2022 Budget	Q3-2022	Percent of 2022 Budget	Q-o-Q Change	Y-o-Y Change
Oil & Gas Revenue	154.0	76.3	49.6%	31.1%	85.0%
Non- Oil Revenue	42.0	5.5	13.2%	-79.9%	-3.2%
Total Revenue	196.0	81.9	41.8%	-4.6%	74.3%

Total revenue for Q3-2022 amounted to QR 81.9 billion which represents a decline of 4.6% compared to the previous quarter. This was driven by the significant drop in non-hydrocarbon revenue since the substantial share of budgeted non-oil revenue for 2022 was achieved in Q2-2022 due to the timing of corporate income tax collection.

The total oil and gas revenue amounted to QR 76.3 billion, which represents an increase of 85.0% compared with the same period last year supported by the higher oil prices.

Non-oil revenue for Q3-2022 totaled QR 5.5 billion, which represents a decline of 3.2% compared with the same period last year.

Figure 2: Total Revenue



■ Oil revenue ■ Non-oil revenue

Expenditure

Expenditure (QR Billion)	2022 Budget	Q3 - 2022	Percent of 2022 Budget	Q-o-Q Change	Y-o-Y Change
Salaries and Wages	58.5	14.6	24.9%	-17.0%	2.6%
Current Expenditure	67.2	18.0	26.7%	7.4%	21.1%
Minor Capex	4.6	1.2	27.0%	16.8%	69.1%
Major Projects	74.0	18.0	24.4%	7.8%	10.4%
Total Expenditure	204.3	51.8	25.3%	-0.5%	12.4%

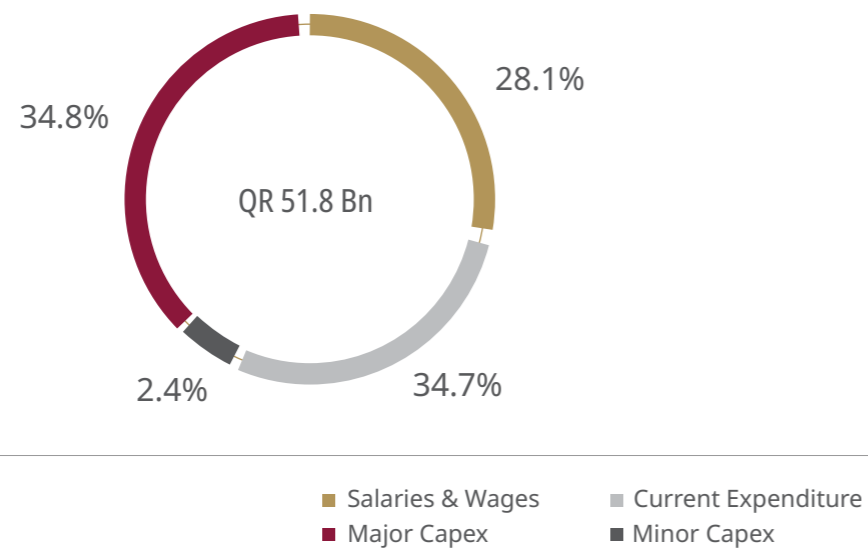
Total expenditure for the third quarter of 2022 amounted to QR 51.8 billion, representing a decline of 0.5% compared to the previous quarter. Total expenditure for Q3-2022 accounted for 25.3% of the 2022 budget.

Chapter I "Salaries and Wages" declined by 17.0% compared to the previous quarter. The decline is a result of the advanced payments made to some sectors, mainly to the education sector, during the previous quarter.

Chapter II "Current Expenditure" increased by 7.4% compared to the previous quarter mainly due to World Cup 2022 related initiatives.

Chapter IV "Major Capex" increased by 7.8% compared to the previous quarter. Newly awarded projects during the third quarter of 2022 totaled QR 384.3 million.

Figure 3: Total Expenditure



Public Debt

For the period ending September 30th, 2022, a decline of 1.2% was registered in the overall public debt level. An adjustment was made to the debt balance relating to the fluctuations of international currencies (FX adjustments). The total public debt figure reached QR 368.9 billion by the end of Q3-2022. There was no new external issuance for the period.

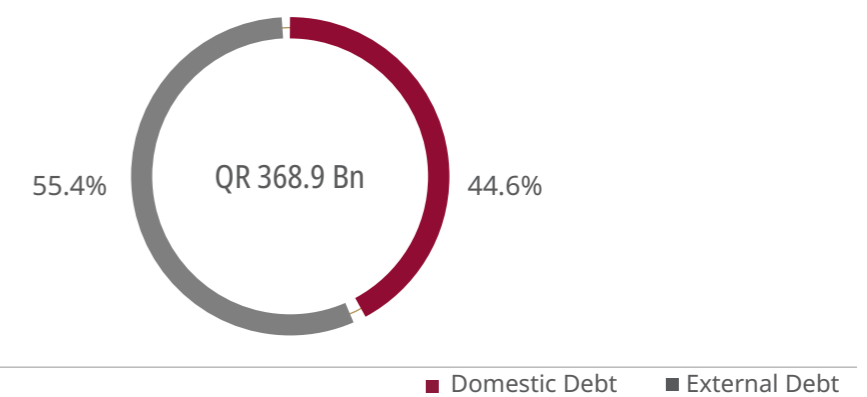
Domestic Debt

Total domestic public debt stood at QR 164.4 billion, as of September 30th, 2022, which represents 44.6% of the overall public debt. The composition of domestic debt includes domestic bonds and domestic loans.

External Debt

Total external public debt at the end of September 2022 stood at QR 204.5 billion, which represents 55.4% of the total public debt. The external debt consists of government external bonds and external loans.

Figure 4: Public debt



Major Capex

Awarded Projects During the Third Quarter of 2022	QR Million
Infrastructure and Roads	245.4
Sewer and Drainage	49.6
Parks and Green Areas	27.6
Miscellaneous	61.7
Total	384.3

Budget Terms

Public Budget

A detailed official estimate that includes a statement of the estimated revenue to be collected and the expenditure estimated by government financial units for a future fiscal year.

Revenue

All revenues that the State receives from income from natural sources, taxes, customs, fees for services and all other sources of income.

Expense

All expenditure that the State spends to ensure the provision of services to all citizens, including various current and capital expenditure.

Budget Balance (Surplus / Deficit)

The difference between expected revenue and planned expenses, a “surplus” occurs when revenue exceed expenditure and a “deficit” occurs when expenses exceed revenue.

Chapter One (Salaries and Wages)

Expenses related to all salaries, wages, allowances and remunerations of employees and workers in ministries and government agencies.

Chapter Two (Current Expenditure)

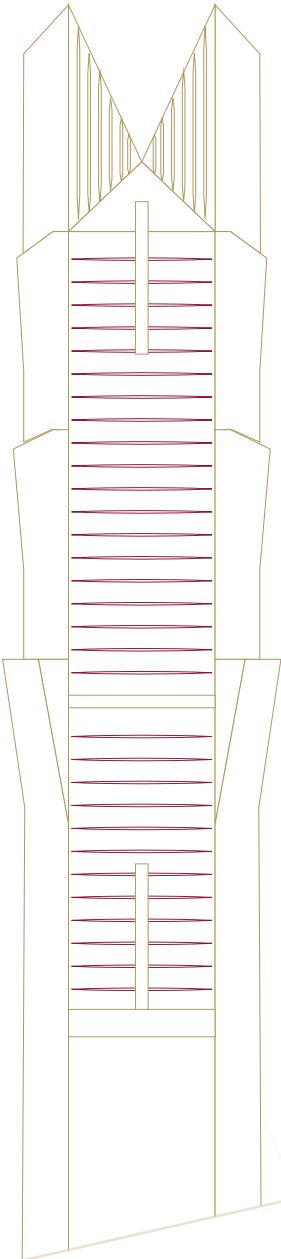
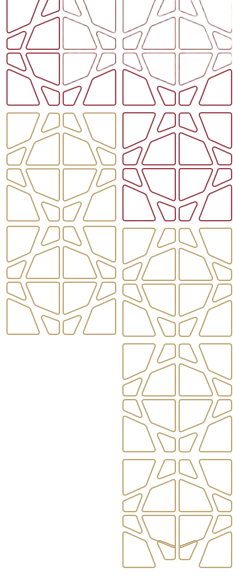
All expenses necessary for the works and services performed by the State and its various agencies, including the cost of the necessary materials and of various services.

Chapter Three (Minor Capex)

Expenditure on fixed assets necessary to enable ministries and government agencies to perform their tasks including all devices and equipment, whether required for new purposes or for the purpose of replacement.

Chapter Four (Major Capex)

Expenditure allocated for long-term development projects to ensure the development and modernization of services and facilities provided by the State in a way that contributes to economic growth.



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