

# Diversification should switch the entrepreneurial lights on!

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Diversification - one of the words you hear occasionally and then maybe casually dismiss because it doesn't mean too much especially if you're struggling single-mindedly to make your business idea work. But hold on...

Hearing the word diversification should immediately switch on the entrepreneurial lights. For the savvy or the more experienced entrepreneur knows the word is another way of flagging up opportunity. So are you listening?

It's certainly a word that's well used nowadays in connection with the Middle East where there are many countries - particularly Gulf Cooperation Council countries - with economies heavily reliant on the exploitation of oil and gas. Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates make up this political and economic union of Arab states, usually referred to as the GCC or simply the Gulf states, which borders the Persian Gulf.



Now the buzzword is diversification – away from dependence on hydrocarbons, and Qatar is a leader in diversifying its economy.

But wait a minute, heavily reliant on exploiting oil and gas? In the past, they surely were but not anymore. Now the buzzword is diversification - away from dependence on hydrocarbons, which we all know is a finite resource. In fact, GCC governments have been pursuing successful diversification strategies for quite a number of years on the back of the wealth created through their respective oil and gas sectors.

## **Qatar is a great example**

But let's not talk about the financial strides taken in respect of Qatar business banking services over recent years, for example, nor the significant moves to expand and develop the country's tourism industry, both major contributors to GDP. In truth, everything now appears geared towards the hosting of the FIFA World Cup competition in the country in 2022. Little wonder because it's the first time any Arab state has been given the honour. So the Qatari government, naturally, is pulling out all the stops, building a string of stadiums, updating infrastructure and spending billions of dollars in the process.

All of that development, on top of the diversification strategy already being pursued by the country, adds to the opportunities available for smart business owners and investors from all across the world. So is it any wonder the Qatar economy is steadily growing, as highlighted in the latest report produced by the highly influential Oxford Business Group (OBG)? Is it any wonder entrepreneurial eyes are turning more readily towards Qatar? Not really.

Growth, says the OBG, outpaced expectations in Qatar this past year, while 2014 is widely expected to see an up-tick in economic activity, as the non-energy sector further expands on the back of high levels of infrastructure spending and consumer demand.

A report prepared by Qatar National Bank early in the New Year forecast that Qatar's economy would maintain its steady rate of advance, with GDP predicted to increase by 6.8% in 2014, thanks in part to the rising pace of infrastructure spending and private sector activity.

The OBG adds, "While Qatar's preparations for football's headline event will continue to attract headlines along with large investments in 2014 as work ramps up on stadiums and supporting facilities, far more economic activity will be taking place well away from the pitch as other infrastructure projects are rolled out and consumer demand helps fuel growth in the financial and services sectors."

Or put it another way, Qatar equals diversification equals football equals opportunity. So are you listening now? Begin

exploring the opportunities by reading the full OBG report [here](#).

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