CONSULTING HAUS

QATAR HEALTHCARE SECTOR OVERVIEW

SEPTMBER 2021

CONSULTING HAUS LLC IN THE NEWS…

GCC HOSPITAL MARKETS AT A CROSSROADS

Having completed several high profile healthcare related projects in last 12 months (including the market, technical and financial business plan for the upcoming Cedars Sinai hospital in West Bay), Laith Dajani, Managing Partner of Consulting HAUS LLC shares his views on the Qatari health sector market with HBI as part of their latest publication 'GCC Hospital Markets at a Crossroads'

"Like other GCC countries Qatar is moving towards an insurance-based system with a bigger role for private operators. Increasing private sector participation is the key area identified to support the government in reducing its overall public healthcare spend and a new draft law (expected later this year) seeks to make it mandatory for all (non-Qatari) residents to have private health insurance which will result in lifting the burden off the public healthcare sector as more low-mid income residents turn towards private healthcare players for treatment".

"Penetration of new players such as (US non-profit) Cedars Sinai may increase private participation in complicated treatments and surgeries."

For more details on the article, follow the link:
https://www.healthcarebusinessinternational.com/gcc-hospital-markets-at-a-crossroads/

DOHA WELCOMES A NEW 250 BED HOSPITAL IN COLLABORATION WITH CEDARS-SINAI…

CONSULTING HAUS

We are delighted to announce our involvement in Elegancia Healthcare's latest landmark project – establishing a one-of-a-kind hospital in the heart of Doha in partnership with Cedars-Sinai.

The project demonstrates the increasing contribution of the private sector supporting the implmentation of Qatar's National Health Strategy 2018-2022 and reinforces the ongoing success of the government's private healthcare plans.

CONSULTING HAUS LLC'S CONTRIBUTION…

- MARKET STUDY
- SELECTION OF SPECIALTIES
- CATCHMENT AREA ASSESSMENT
- TECHNICAL FEASIBILITY
- DYNAMIC FINANCIAL MODEL
- FINANCIAL FEASIBILITY

HBI 2021

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Cedars Sinai

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HEALTHCARE SECTOR OVERVIEW COVERING THE PERIOD 2020 TO 2024…

INTRODUCTION

This healthcare sector overview (“**Overview**”) has been prepared by Consulting HAUS LLC and seeks to compare published data from international sources as well as the data released from the Planning and Statistics Authority (“**PSA**”), Ministry of Public Health (“**MoPH**”) and information gathered via primary market interviews with a cross section of market participants in Qatar.

After assessing the various sources of data to understand the healthcare dynamics in Qatar, and taking into consideration the primary market research, the Overview concludes upon the market outlook for the healthcare sector in the coming years.

Users of the Overview are encouraged to undertake their own independent research before making any business-related decisions based on the content of the Overview.

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THE NATIONAL HEALTH STRATEGY (2018–2022) AIMS TO PROVIDE QATAR CITIZENS WITH A WORLD-CLASS HEALTHCARE SYSTEM…

HEALTHCARE OVERVIEW AND VISION

- Qatar National Vision 2030 lays down a master roadmap for developing sectorial visions and strategies. Its human development pillar encompasses the vision and strategy guidelines for healthcare development in the country.
- Qatar aims to form a comprehensive world-class healthcare system that is effective, affordable and available to all citizens. It has developed a National Health Strategy 2018–2022 as one of eight sector strategies that encompass Qatar's National Development Strategy 2018-2022.
- The National Health Strategy outlines the healthcare sector's next period of growth. The strategy is underpinned by key principles from the United Nations' agenda of development and the WHO's concept of 'Universal Health Coverage'.

PRIORITY AREAS FOR QATAR'S HEALTHCARE SECTOR

HEALTHY CHILDREN AND ADOLESCENTS	HEALTHY WOMEN LEADING TO HEALTHY PREGNANCIES	HEALTHY AND SAFE EMPLOYEES	MENTAL HEALTH AND WELLBEING	IMPROVED HEALTH FOR PEOPLE WITH CHRONIC CONDITIONS	HEALTH AND WELL BEING FOR PEOPLE WITH SPECIAL NEEDS	HEALTHY AGING

HEALTHCARE INDICATORS IN QATAR*

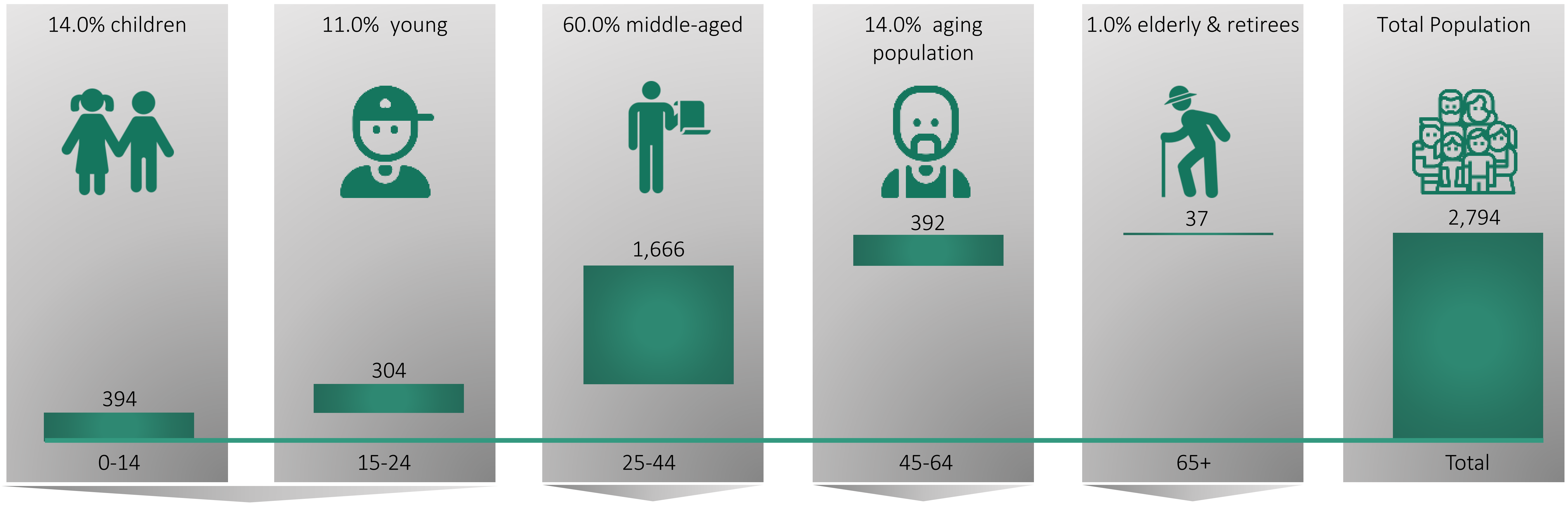
2.9	5.2	3,041	22	80.1	39
Physicians per 1,000 population	Nurses per 1,000 population	Hospital beds (public and private)	Hospitals (public and private)	Years average healthy life expectancy	Rank in healthcare quality index

*indicates the numbers for latest available year

Source: Ministry of Public Health, World Bank

GENERAL MEDICINE, MATERNAL, PAEDIATRICS, AND ORTHOPAEDIC SPECIALITIES ARE IN HIGH DEMAND, GIVEN THE CURRENT DEMOGRAPHIC MIX OF THE POPULATION OF QATAR…

QATAR'S TOTAL POPULATION BY AGE GROUP IN 2020 (000'S)



Age group driving maternal, pediatrics, and general medicine specialties

Young and marrying age population drive maternal, general medicine and orthopedic specialties

Growing need for cardiology, diabetics and orthopedic services given chronic disease profile of population

Highest demand for oncology, cardiology, orthopedics and monitoring of chronic disease conditions

HIGHLIGHTS

- The demographic age distribution in Qatar is expected to drive the demand of healthcare services. For example, with c.60.0% of the population between the 25-44, the demand for specialties such as maternal, general medicine, orthopedic and general surgery are expected to stay strong.
- The middle age population represent the largest set and they are considered more willing to spend on healthcare services due to high public awareness and preference for healthier lifestyles.
- Cardiology and orthopedics are high demand specialties for the aging population. In Qatar the demand for these specialties is growing for the middle age population due to the rising prevalence of 'Non-Communicable Deceases' **(NCDs)** and musculoskeletal diseases in the 35-45 age bracket, on average 10 years earlier than western countries.

Source: PSA, National Health Strategy 2017-2022, WHO 2015

QATAR IS RANKED FIRST IN GCC IN TERMS OF PER CAPITA SPENDING ON HEALTHCARE AND AVERAGE HEALTHY LIFE EXPECTANCY…

HEALTHCARE INDICATORS BENCHMARKS ACROSS GCC COUNTRIES

PARAMETERS	QATAR	BAHRAIN	OMAN	SAUDI ARABIA	UAE	KUWAIT
Public healthcare spending (USDB), 2019	4.9 (4)	0.8	1.7	47.0	9.9	7.4
Spending per capita (USD), 2019	2,154 (1)	487	342	1,371	1,016	1,759
Number of hospitals*	22 (6)	29	69	478	126	23
Beds per 1,000 population	1.0 (6)	1.7	1.4	2.2	1.4	2.1
Nurses per 1,000 population	5.2 (4)	5.1	5.1	5.6	5.9	6.7
Physicians per 1,000 population	2.9 (3)	3.0	2.7	2.8	2.6	3.1
Average healthy life expectancy (years)	80.1 (1)	77.2	77.5	75.2	66.7	74.8
Rank in global healthcare quality index	39 (2)	44	69	58	92	12
Share of private sector in healthcare expenditure , 2019	20.7% (4)	42.0%	12.3%	35.0%	30.6%	12.5%

XXX: *Indicates the top performing country in the parameter*

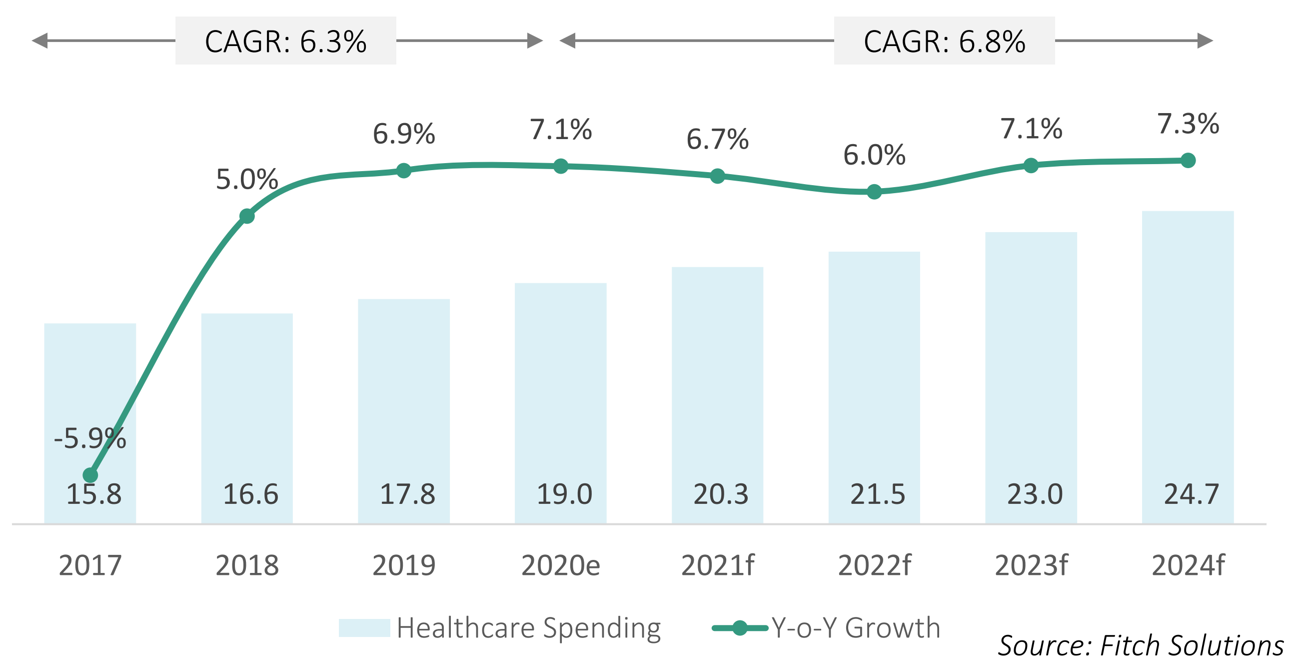
( ): *Indicates Qatar's ranking among the GCC countries*

**includes public and private hospitals*

Source: Ministry of health of respective countries, World Bank, Fitch Solutions, Alpen Capital

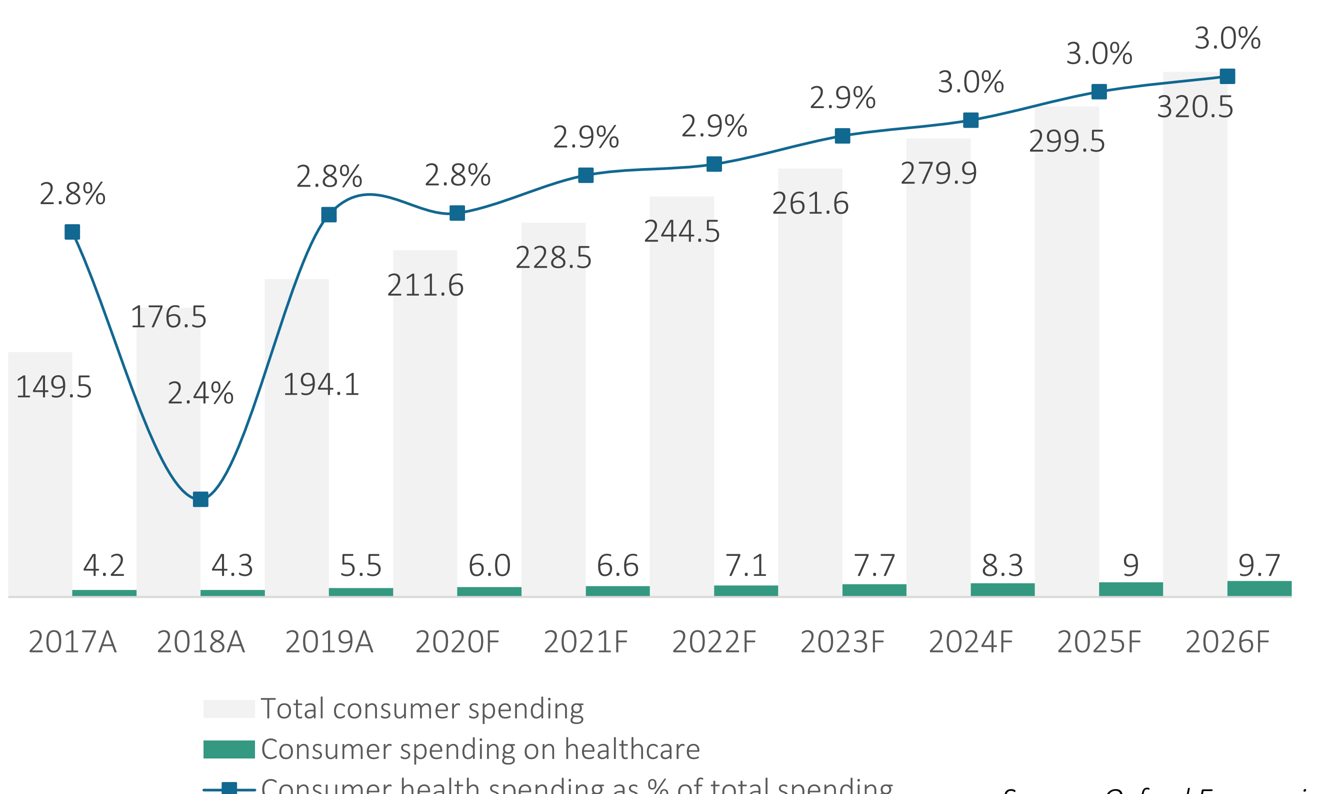
CONSUMER EXPENDITURE ON HEALTHCARE IS EXPECTED TO OUTPACE OVERALL CONSUMER SPENDING OVER THE PERIOD 2020F-2026F…

QATAR HEALTHCARE SPENDING (QARB) 2017A–2024F



Source: Fitch Solutions

ANALYSIS OF CONSUMER SPENDING (QARB) (2017A–2026F)



Source: Oxford Economics

HEALTHCARE SPENDING ANALYSIS

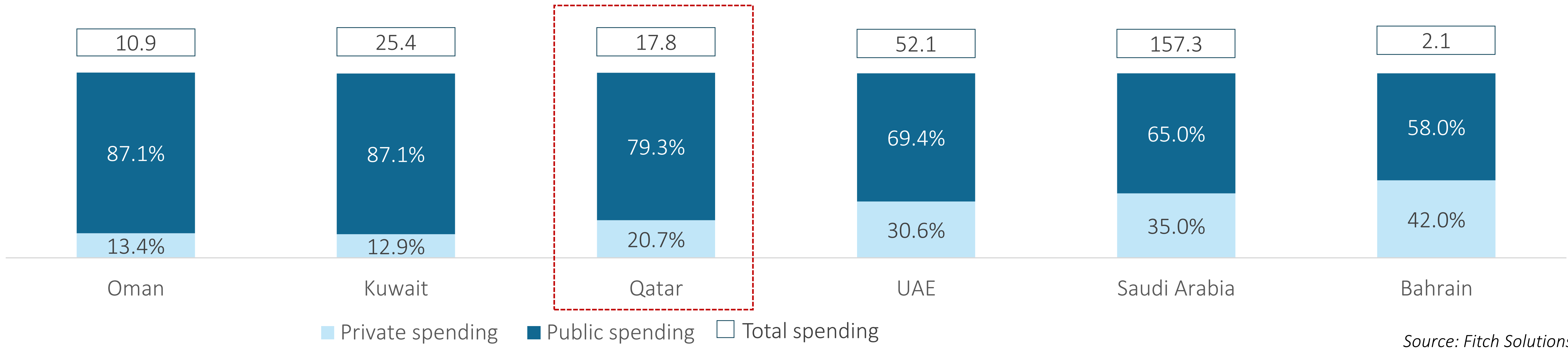
- Healthcare spending is defined as government and private spending on medical products and services (this includes both infrastructure and consumer expenditure). The growth in healthcare spending during the forecast period (2021F–2024F) is driven by the following factors:
  - i. Government's investment in healthcare projects, such as Hamad Medical Corporation;
  - ii. Private sector investment;
  - iii. Rising demand for medical treatments; and
  - iv. An increasing demand for healthcare services as a result of population growth.
- Based on the estimates by Fitch Solutions, healthcare spending is expected to witness a CAGR of 6.8%, outpacing GDP growth of 2.8%, over the period 2020F-2024F.

CONSUMER SPENDING ANALYSIS

- Based on estimates by Oxford Economics, total consumer spending in Qatar in 2020 was estimated to be QAR211.6b, of which consumer healthcare expenditure constituted 2.8%, equating to QAR6.0b.
- Consumer spending on healthcare is projected to witness a CAGR of 7.1% over the period 2020F-2026F compared to a CAGR of 6.1% in overall consumer spending during the same period.
- The projected increase in consumer healthcare spending is driven by the following drivers:
  - i. Free healthcare service offered by the government for the nationals and subsidized healthcare services for expatriates;
  - ii. Increased insurance coverage resulting in low burden of healthcare costs on consumers; and
  - iii. Improved private sector healthcare services.

QATAR'S CURRENT STRATEGY INCLUDES ENCOURAGING PRIVATE SECTOR PLAYERS TO INVEST IN THE HEALTHCARE SECTOR TO SUPPORT THE NATIONAL TARGETS…

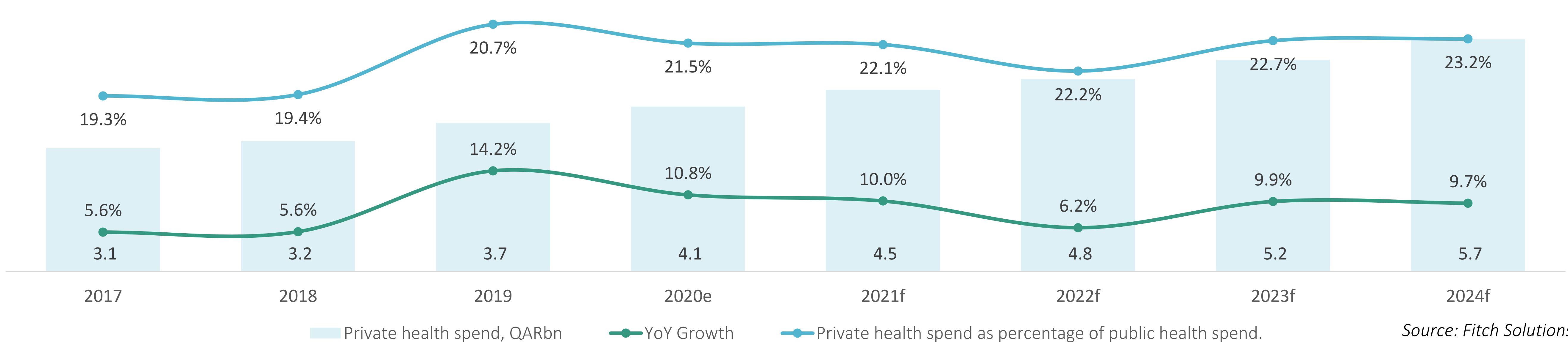
BREAK-UP OF HEALTHCARE SPENDING IN GCC COUNTRIES (QARB/2019)



Source: Fitch Solutions

- Public healthcare spending in Qatar in 2019 accounted for 79.3% of total healthcare spending, which is the third highest among the GCC countries and materially higher than that of the UAE, Saudi Arabia and Bahrain (70.0%, 66.0% and 59.0%, respectively).
- Qatar's government is increasing efforts to promote the private sector's involvement in the healthcare sector. The private healthcare spending is anticipated to grow by a CAGR of 8.9% from 2020E to 2024F, which would reduce the public-private spending gap in the coming years.

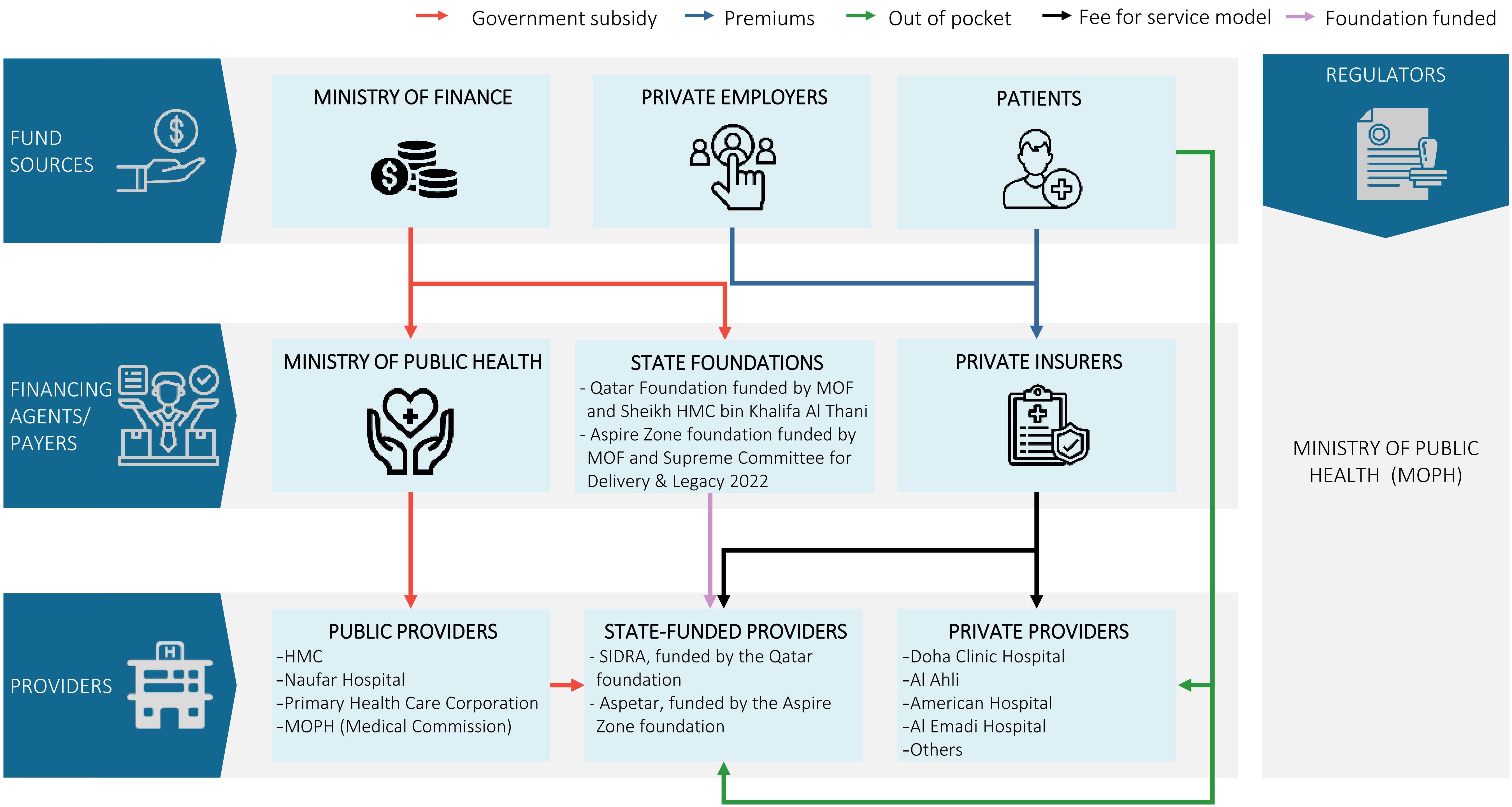
QATAR'S PRIVATE HEALTHCARE SPENDING AS A % OF TOTAL HEALTHCARE SPENDING (2017A – 2024F)



Source: Fitch Solutions

PUBLIC FUNDS FROM THE MINISTRY OF FINANCE AND A VARIETY OF OTHER SOURCES HAVE HISTORICALLY DRIVEN INVESTMENT IN PUBLIC AND OTHER STATE-FUNDED PROVIDERS…

DIAGRAM HIGHLIGHTING THE FUNDING MODEL OF THE HEALTHCARE SECTOR IN QATAR



Source: Qatar's National Health Accounts, Primary research

MOPH DEFINES THE NATIONAL HEALTHCARE STRATEGY AND FORMULATES POLICIES TO REGULATE AND MONITOR THE FUNDING AND PROVISION OF HEALTHCARE SERVICES…

MOPH OBJECTIVES

1	• Develops and sets the agenda of the national healthcare strategy/vision.
2	• Provides oversight of the quality and effectiveness of service delivered by public and private healthcare providers.
3	• Operates a mandatory licensing system for healthcare providers, professionals and equipment.
4	• Approves pricing tariffs for private providers.
5	• Develops new insurance schemes and the reimbursement mechanisms.
6	• Funds and supervises HMC, PHCC, QHCP and FSA.

- Funds and oversees HMC, PHCC and acts as a funding agent for QCHP and FSA.
- Defines funding and allocates budgets to public providers: a combination of the activity-based funding with the performance-based budgeting.
- Provides expanding provision to public providers, including policy formation and planning for new facilities, services, workforce and financing.
- Funds MOPH operations including the medical commission which provides the required medical testing for permanent residency permits.

HEALTH STRATEGIES

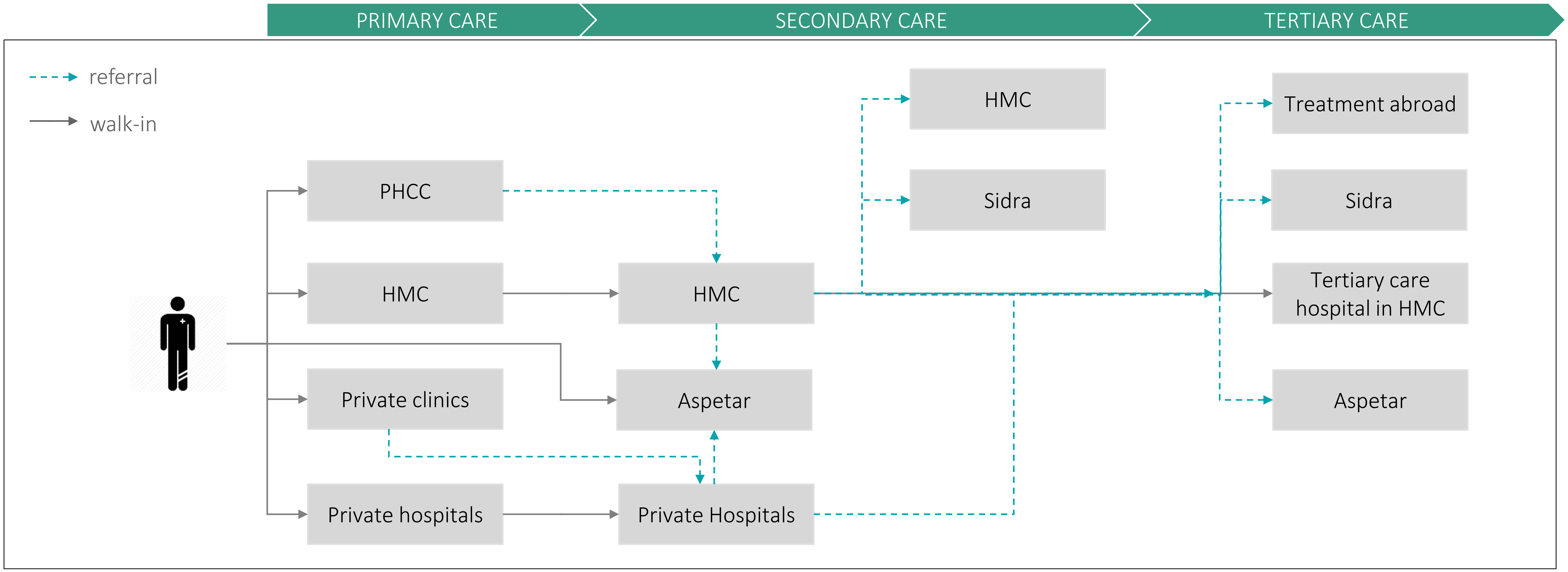
NATIONAL HEALTH STRATEGY	Key themes / focus areas for NHS 2017 – 2022: • Quality and access built on patient empowerment; • Emphasis on preventative health; and • Service integration and increased capacity in the public and private sectors.
PUBLIC HEALTH STRATEGY	• A roadmap to improve the health of citizens and residents by creating and sustaining an environment conducive to health. • 16 key health areas, including diabetes, cardiovascular disease, mental health, occupational health, and road safety.

OTHERS	• Clinical strategies include:
	  • National Cancer Strategy;
	  • National Diabetes Strategy;
	  • National Mental Health Strategy;
	  • National Continuing Care Strategy; and
	  • Primary Healthcare Strategy.
	• Non-Clinical strategies include:
	  • National E-health and Data Management Strategy;
	  • Qatar Facilities Master Plan 2013-2033; and
	  • National Laboratory Integration and Standardization Strategy.

Source: National Health Strategy publications, Primary research

NATIONALS AND EXPATRIATES FOLLOW THE SAME PATIENT PATHWAY, ONLY THE COST OF TREATMENT VARYING…

PATIENTS' OPTIONS IN SEEKING MEDICAL SERVICE IN QATAR



PAYMENT METHOD	HMC/ PRIMARY HEALTH CARE CORPORATION (PHCC)	ASPETAR	SIDRA*	PRIVATE HOSPITALS
NATIONALS	• Fully subsidized (100%) - HMC card*	• Fully subsidized (100%) - HMC card (if it is a referral from HMC) • Insurance/cash	• Fully subsidized (100%) - HMC card	• Insurance/cash
EXPATRIATES	• Partially subsidized with co-payment - HMC card*	• Insurance/cash	• Partially subsidized with co-pay - HMC card	• Insurance/cash

*At HMC card annual fee is QAR50 for Nationals and QAR100 for expatriates.

Source: Primary research

9. HOSPITAL BED CAPACITY IN QATAR

CURRENTLY THE PUBLIC SECTOR REPRESENTS C.81.0% OF THE TOTAL BED CAPACITY AND PROVIDES C.98.0% OF TERTIARY HEALTHCARE SERVICES ACROSS QATAR…

PRIVATE AND PUBLIC HOSPITALS IN QATAR

SECTOR	TYPE OF CARE	HOSPITALS (#)	TOTAL BEDS (#)	Share of acute services* (%)	Share of post-acute services* (%)	Example companies
PUBLIC	Primary care Secondary care Tertiary care Post-acute care (IP & OP rehabilitation, home care)	13**	2,472**	90%	98%	• HMC General Hospital • Women's Hospital • Heart Hospital • National Center for Cancer Care & Research (NCCCR) • Al Khor Hospital • Al Wakra Hospital • Cuban Hospital • Rumaillah Hospital
SEMI-PUBLIC	Tertiary care (focused on OBGYN and pediatrics)	2	306	NA	NA	• Sidra • Aspetar
PRIVATE	Primary care Secondary care	7	569	10%	2%	• Al Ahli Hospital • Al Emadi Hospital • Doha Clinic Hospital • American Hospital Clinics • Aster • Turkish Hospital • Al Fardan Northwestern Medicine
TOTAL		22	3,041	100%	100%	

*Operational beds, share of acute services and share of post-acute services are based on 2016 data, and not available for semi-public hospitals
**As per the latest data published by PSA

Source: HMC Annual Report, PSA, Primary research

SEHA WAS THE FIRST ATTEMPT AT A NATIONAL HEALTH INSURANCE SCHEME, BUT WAS SUSPENDED IN 2015, WITH A NEW SCHEME LAUNCHED IN 2021…

TIMELINE OVERVIEW OF SEHA

2013

Stage 1:
- Coverage: Qatar national women aged >12+
- Services: OBGYN

2014

Stage 2-3:
- Coverage: Qatar nationals
- Services: All

2015

Stage 4:
- Coverage: Qatar nationals, white-collar expatriates and visitors
- Services: All

SEHA suspended

2016

Stage 5:
- Coverage: All Qatar nationals, white and blue-collar expatriates and visitors
- Services: All

2021

New scheme announced and to be launched:
- Announcements have been made to launch a new national healthcare insurance scheme in 2021

Majority of the insurance providers follow a fee-for-service model, excluding maternity packages and a few other standard surgery packages. However, previous introduction of SEHA rose awareness and willingness to move to a value based system of payment." - ***Insurance expert***

OPERATOR & REGULATOR

- Qatar's national health insurance scheme, SEHA, was managed and operated by the government-owned National Health Insurance Company, with Al Khaleej Takaful acting as the TPA. Aetna and GlobeMed were appointed as exclusive subcontractors of the third-party administrator.
- Under the scheme, patients were able to choose from a range of participating public or private providers.

REIMBURSEMENT MECHANISM

- SCH mandated the adoption of ICD-10-AM by hospitals. Public hospitals started embarking on the Australian Refined Diagnosis Related Groups during stage 1.
- The Qatar Outpatient Classification System, a value-based system was brought in place for the OP segment at stage 1.
- At stage 2, SCH faced few challenges:
  1. much wider range of services and providers; and
  2. limited cost information from the private sector.

UTILIZATION

- The scheme nearly tripled utilization in the private sector, with over 400,000 visits. Government paid c.QAR1.8b for patient care in the first 15 months.

SUSPENSION

- With falling oil prices taking a toll on the government's economy and suspected over-utilization of the private sector services, the government suspended the scheme in December of 2015.

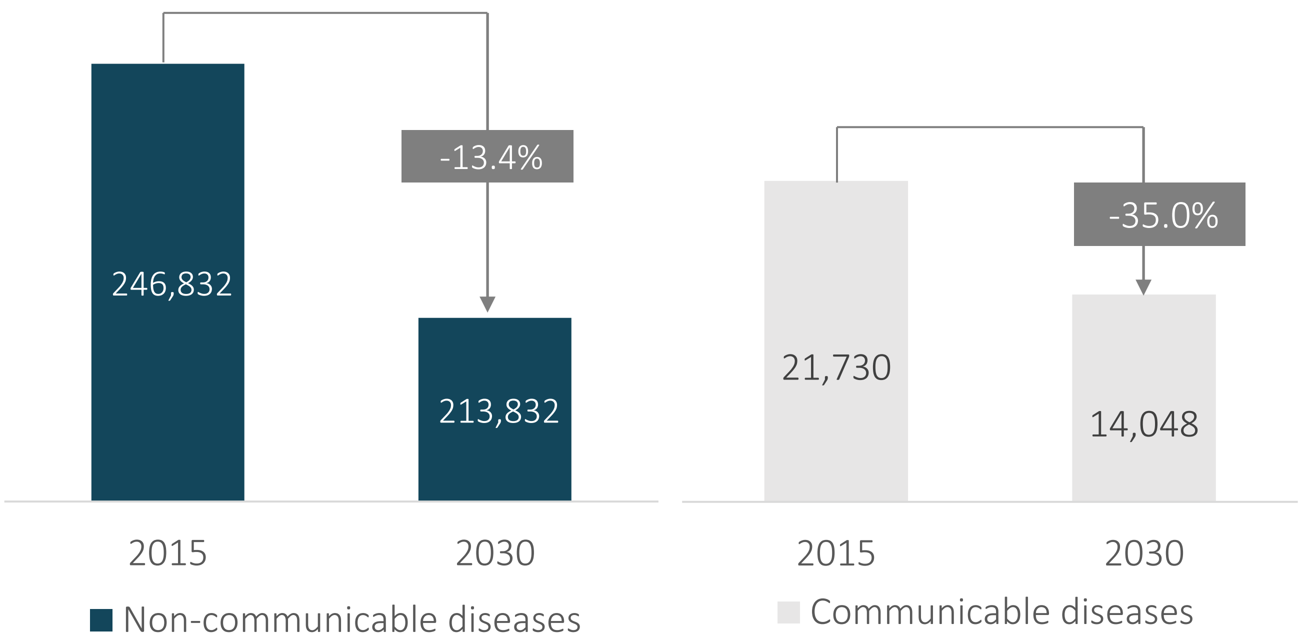
LAUNCH OF NEW SCHEME

- In Feb 2021, the MOPH announced that a draft law to create a new health insurance system would be launched during the year, which could convert the country's healthcare system to a value-based model. While few details about the law had been made public as of March 2020, it is expected that is will contribute to reducing the pressure on health services provided by the public sector.

Source: Primary research, HMC website

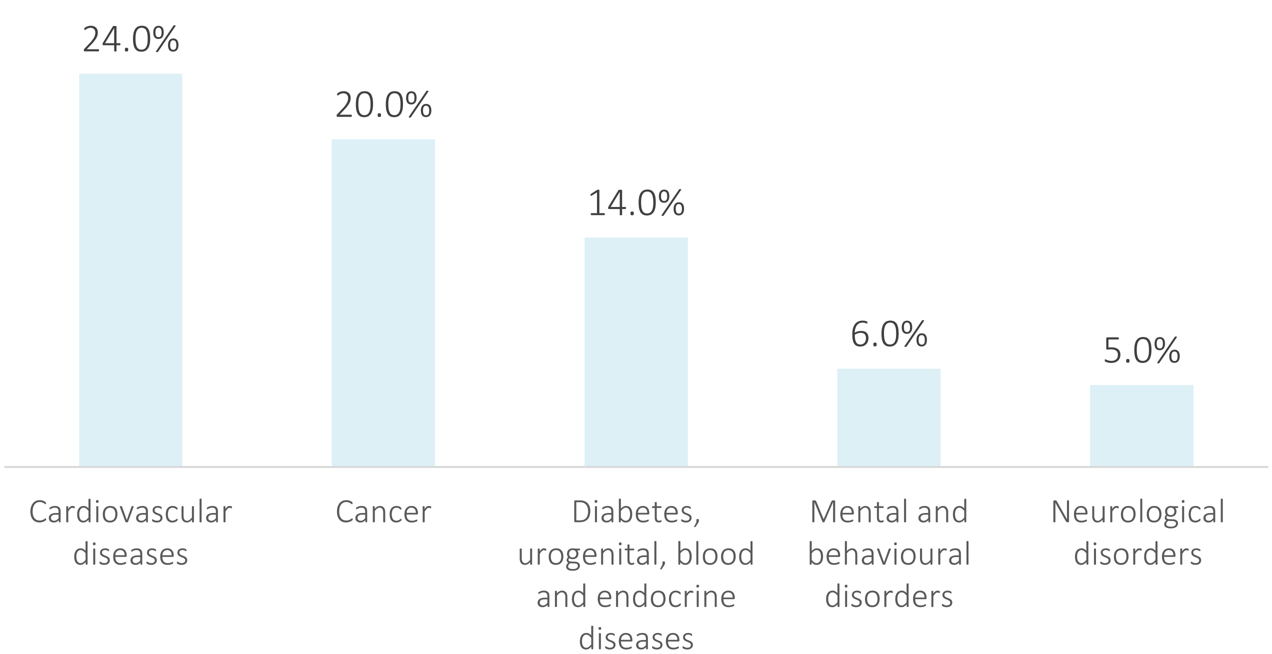
QATAR IS INCREASING ITS EFFORTS TO DECREASE THE INCIDENCE OF COMMUNICABLE AND NON-COMMUNICABLE DISEASES, BUT DIABETES REMAINS A CHALLENGE…

NON-COMMUNICABLE AND COMMUNICABLE DISEASES IN DALY IN 2015 AND 2030



Source: Fitch Solutions

TOP 5 CAUSES OF DEATH IN QATAR



Source: Fitch Solutions, 2015

OVER THE NEXT 15 YEARS, THE INCIDENCES OF COMMUNICABLE DISEASES ARE EXPECTED TO DECREASE AT A FASTER PACE THAN NON-COMMUNICABLE DISEASES

- The number of Disability-adjusted Life Year (DALY) lost to NCD is expected to fall by 13.4% over the period of 2015 to 2030, whereas the number of cases of communicable diseases is forecast to fall by 35.0% during the same period.
- In 2015, NCD accounted for 73.7% of the total mortality in Qatar and is projected to increase to 79.8% by 2030. In terms of the share of total mortality, several chronic diseases such as cancer, neurological disorders, blood and endocrine diseases are expected to witness an increase over the next 15 years due to the growth population and the negative health impacts associated with improved living conditions.
- Cardiovascular diseases are the most common cause of death in Qatar accounting for 24.0% of total deaths, followed by cancer (20.0%), diabetes, urogenital, blood and endocrine diseases (14.0%), mental and behavioral disorders (6.0%) and neurological disorders (5.0%).
- However, owing to improvements in medical treatments and rising healthcare awareness, the share of total mortality of some categories of non-communicable diseases is forecast to moderate between 2015 and 2030, such as cardiovascular disease and diabetes, whose share is expected to decline from 24.0% to 21.0%, and from 8.1% to 7.1% of total mortality, respectively.

DIABETES AND DIABETES-RELATED DISEASES REPRESENT A GROWING PROBLEM FOR QATAR

- The International Diabetes Federation (IDF) estimates that 13.5% of the adult population (20-79 years) in Qatar is currently suffering from diabetes, which sits well above the average of 9.1% in the Middle Eastern region.
- Qatar also has the highest diabetes-related expenditure on a per capita basis in the Middle East. The IDF estimated that in 2015, the mean annual diabetes-related spending per person in Qatar was USD2,868.

HEALTHCARE DEMAND IS DRIVEN BY MATERNITY AND PAEDIATRIC SERVICES , HIGH INCIDENCE OF NCD'S, GROWTH IN THE POPULATION SEGMENT OVER 65 AND HIGH INCIDENCE OF RTAS…

HIGH DEMAND FOR MATERNITY AND PEDIATRIC SERVICES

With the expected increase in births, along with the potential rise in infant and neonatal mortality rates especially among nationals, there will be increased demand for specialized neonatal and pediatric care services, especially considering the public hospitals are over-capacitated. .

HIGH INCIDENCE AND PREVALENCE OF CHRONIC DISEASES

The government's healthcare system is currently focused on acute care services. With a fiscal need to contain public healthcare spending, the management of chronic conditions, preventative care and post-acute services could be an opportunity for the private sector.

POPULATION ABOVE 65 GROWING FASTER THAN THE OVERALL POPULATION

The ratio of elderly people to working age people is likely to grow as demographics shift, creating more demand for services such as cardiology, neurology, oncology, orthopaedics, and maintenance of chronic conditions.

HIGH VOLUME OF TRAUMA CASES

As GDP and the volume of vehicles grow, it is likely that potential patient volume for trauma, orthopaedics surgeries, intensive care stays and post acute rehabilitation will also grow.

HIGH COPD PREVALENCE AMONG CHILDREN

The air quality in Qatar is not expected to improve, especially with the completion of construction projects leading the FIFA 2022. There is expected to be a rise in COPD, especially in children.

Source: CH analysis News articles

MAJOR FOCUS AREAS OF QATAR'S NATIONAL HEALTH STRATEGY ARE QUALITY OF CARE THROUGH COST CONTAINMENT AND PARTNERSHIPS FOR SERVICE DELIVERY...

HEALTHY CHILDREN AND ADOLESCENTS	There is a growing need for pediatric and neonatal services (e.g. NICU and PICU) driven by the growing population aged 0 – 14 (c.3.1% during 2015–2020) and the rising neonatal mortality rates, especially within the national population.
HEALTHY WOMEN LEADING TO HEALTHY PREGNANCIES	With the growing demand for fertility treatments, there is an expected increase for high-risk pregnancies and multiple births. With a goal to reduce infant mortality, demand for services available for high-risk pregnancies and improved maternal well-being are expected to grow.
HEALTHY AND SAFE EMPLOYEES	With high numbers of road traffic accidents (RTAs) in Qatar, and the highest number of physicians in the public sector for emergency care, there is expected to be an increase in demand for trauma and rehab services.
MENTAL HEALTH AND WELLBEING	The 2017 UN population estimates that among people over 60 years in Qatar, over 4,400 may be suffering from dementia.
IMPROVED HEALTH FOR PEOPLE WITH MULTIPLE CHRONIC CONDITIONS	High projected rates of growth in NCDs in an aging population are expected to increase patient volumes. The scale of the healthcare challenges associated with increasing prevalence of NCDs is a key priority for the Government and likely to require multiple public and private solutions.
HEALTH AND WELLBEING FOR PEOPLE WITH SPECIAL NEEDS	The strategy recognizes learning disorders and autism as a national priority. As per MOPH statistics, every year 230 new cases of Autism Spectrum Disorder are diagnosed in Qatar, which will derive demand for neuro and mental health services.
HEALTHY AGEING	Owing to the high growth rates of the elderly population (8.3% $CAGR_{15\text{-}20}$), the need for oncology, cardiology, orthopedics and the monitoring of chronic disease conditions are expected to rise steadily in the near future.

Source: CH analysis

THERE ARE 28 NEW HOSPITALS/EXPANSIONS/CENTERS EXPECTED IN THE NEXT 10 YEARS; 12 OF THEM ARE PLANS OF PRIVATE PLAYERS…

CLINICS

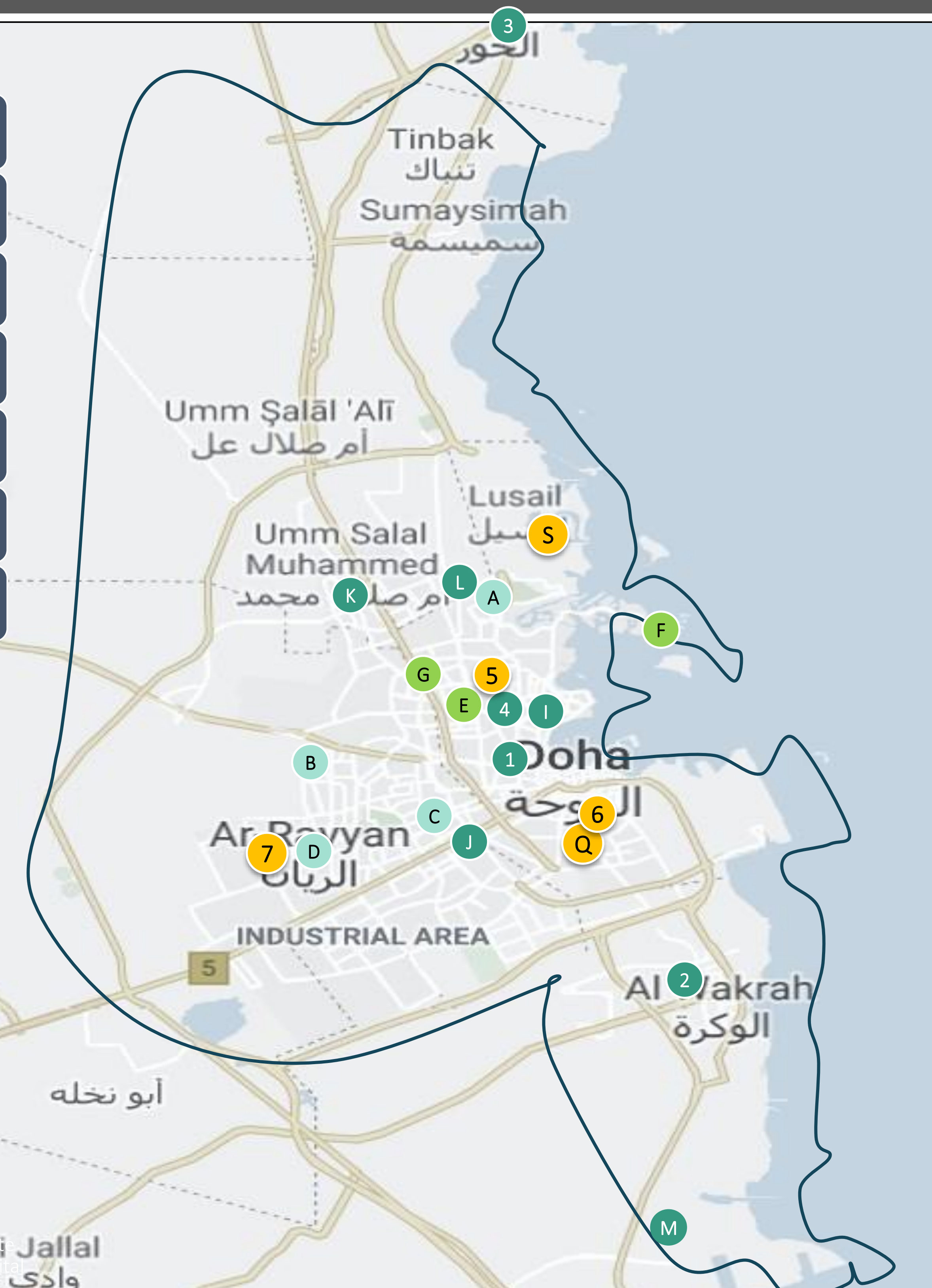
- A Qatar University Health Center
- B Al Wajbah Health Center
- C Al Waab Health Center
- D Muaither Health Center
- E Parco Medical Center
- F Medna Center
- G Millennium Medical Center

HOSPITALS

- I Abu Hamour Medical Campus (500 beds)
- J Abu Hamour Mental Health (60 beds)
- K Umm Slal Mental Health (95 beds)
- L Al Daayen Women's & Children's (251 beds)
- M Ras Lafan Hospital*
- N Al Shamal Hospital* (50 beds)
- O New Cancer Hospital*
- P New Tertiary Hospital*
- Q Aman Hospital, Jaidah (104 beds)
- R Naseem Al Rabeeh Medical Centre (25 beds)*
- S Northwestern Hospital (80 beds)
- T Burjeel Hospital in Al Khor* (63 beds)
- U Thumbay Hospital* (80 beds)
- V Maternity Hospital* (80 beds)

EXPANSIONS

- 1 HMC General (296 beds)
- 2 Al Wakra Expansion (229 beds)
- 3 Al Khor (350 beds)
- 4 Heart Hospital (11 beds)
- 5 Al Ahli Hospital (200 beds)
- 6 Al Emadi Hospital (100 beds)
- 7 Doha Clinic Hospital - Abu Sidra Facility (250 beds)



Primary Health Care Corporation | Private Clinics | Public Hospital | Private Hospital

Source: Qatar Facilities Master Plan 2013-2033, HMC website, PHCC website, News Articles, Primary research

QATAR'S ROBUST ECONOMY HAS ENABLED A HEAVY INVESTMENT INTO THE DEVELOPMENT OF THE HEALTHCARE SECTOR…

STRENGTHS

- The government is committed to the development of healthcare projects to meet the rising demand of Qatar's rising population.
- Qatar is taking strategic initiatives to develop the healthcare sector in an attempt to make it one the most advanced in the region.
- Healthcare expenditure per capita in Qatar is far superior than other GCC countries.

WEAKNESSES

- Qatar's recent population growth was mainly driven by the government's investment in infrastructure projects relating to World Cup 2022. Once the projects materialize/mature, the sustainability of long-term population growth is uncertain.
- Qatar is behind the rest of the region when it comes to complementary, alternative and health optimization/preventative health services.
- At present, there is a small amount of private sector participation in the healthcare sector as compared to other GCC countries.

OPPORTUNITIES

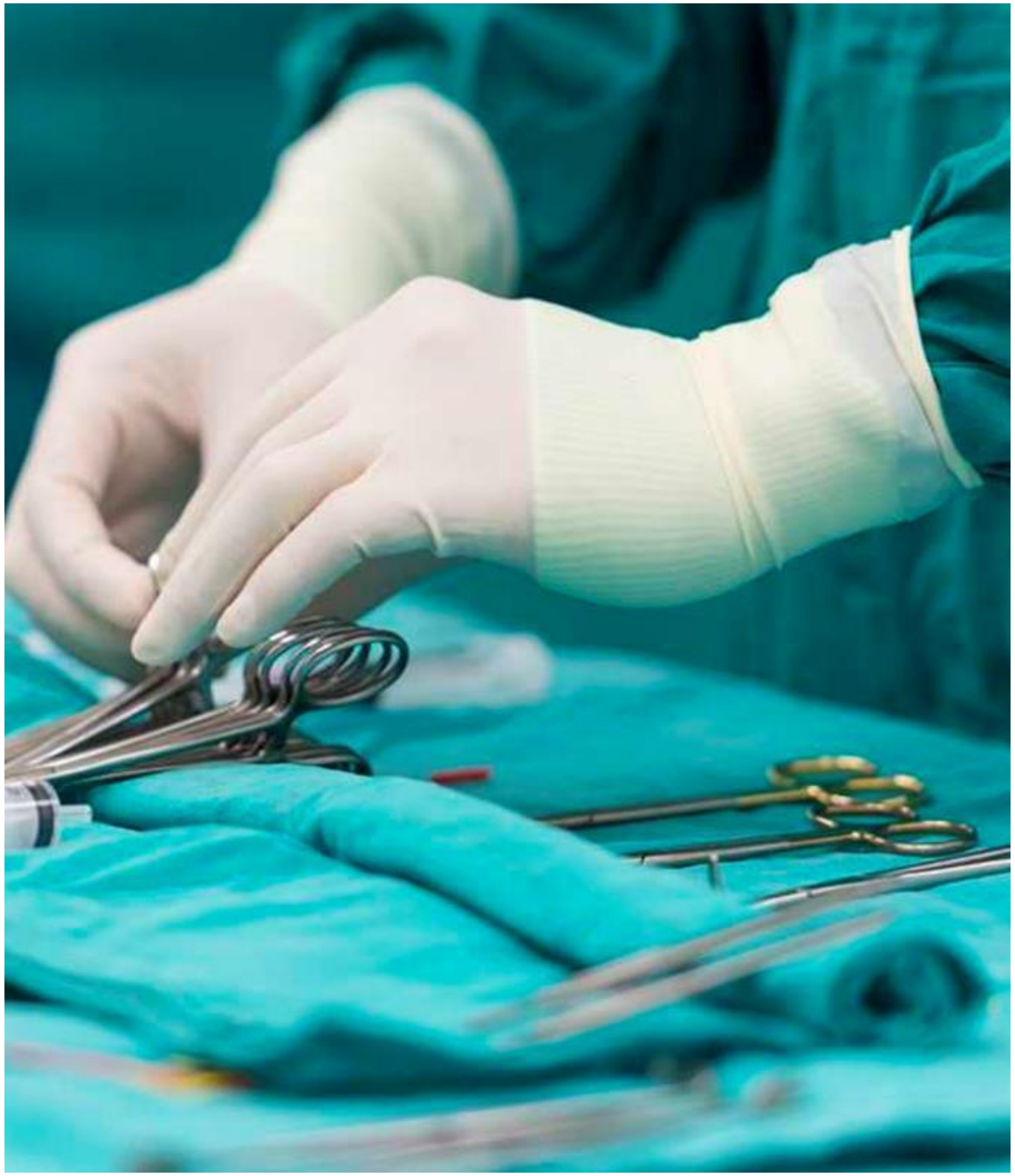
- The government is using the 2022 FIFA World Cup as a catalyst for economic diversification, benefiting other sectors from elevated capital expenditures, including healthcare.
- The healthcare sector is projected to grow at 6.8% until 2024 with the number of beds increasing from 3,041 in 2020 to 4,701 by 2024
- The government is promoting preventative healthcare to help achieve its national health vision.
- Amid global pandemic crisis, Qatar plans to increase private sector contribution to healthcare projects to 25% by 2022.

THREATS

- Government reliance on oil related revenue to fund healthcare projects.
- Decline in the price of oil could disrupt the government's funding and affect the timely execution of key healthcare projects.

Source: CH analysis

THE INCREASING DEMAND COUPLED WITH THE GOVERNMENT'S PLANNED INITIATIVES TO INCREASE PRIVATE SECTOR PARTICIPATION WILL GIVE RISE TO INVESTMENT OPPORTUNITIES GOING FORWARD…



CONCLUSIONS

- The government is taking several strategic initiatives to develop the soft and hard healthcare infrastructure to position Qatar at the fore front of global healthcare rankings.
- Key initiatives include increasing the number of hospital beds, introducing state-of-the-art facilities and reducing the rate of chronic diseases.
- In addition, Qatar is behind the rest of the region when it comes to complementary, alternative and health optimization services and the current COVID-19 pandemic together with the growing awareness of such services are likely to be the driver behind an increase of such services in the coming years.
- Qatar's healthcare expenditure is forecast to grow at a CAGR of 6.8% from 2020 to 2024, which is among the highest in the GCC.
- The main driver of growth is the government's commitment to healthcare infrastructure projects to ensure there are adequate healthcare services and hospital beds to service the growing population.
- The government's plans to increase the contribution of private sector healthcare expenditure to 25.0% by 2022 coupled with the requirement for Qatar to bring itself up to date with complementary, alternative and health optimization services will give rise to a number of investment opportunities going forward.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