



Supervision and Control of Financial Institutions  
Division

**Date: 30-3-2020**

**Circular no.: 7/2020**

**To: All Banks operating in Qatar**

**Subject: National Guarantee Program to support the Private Sector**

Referring to the directives of His Highness Sheikh Tamim bin Hamad Al Thani, the Emir of The State of Qatar, “may God protect him”, with regard to circular [No. MH / 5/2020], and within the framework of the efforts taken by the state to confront the economic effects of the emerging Covid-19 virus; it has been decided to launch a national guarantee program to respond to the repercussions of the emerging corona virus "Covid-19" to support private sector companies affected by the current conditions to enable them to obtain the necessary and immediate finance needed to pay the salaries to their employees and pay rents if any. The following are the details of the program:

**First: The companies that benefit from the program:**

The companies that are wholly owned by the private sector and affected economically due to the new Corona virus as defined by Qatar Development Bank, with the exception of the contracting, construction and real estate companies.

**Second: The concerned banks:**

These are the conventional and Islamic banks operating in Qatar that hold the account for WPS the Wage Protection System for beneficiary companies:

**Third: The size and conditions of finance:**



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The concerned banks must accept the finance applications for finance submitted to them by the beneficiary companies and the benefits shall be granted according to the following conditions and guarantees:

1- The maximum funding limit for a single company and its group of subsidiaries is QR 7.5 million, payable over three months, with a maximum of QR 2.5 million per month.

2- Providing a guarantee of 100% of the total financing by the Qatar Development Bank on behalf of the Government of Qatar without the relevant banks bearing any fees or commissions.

3- The finance is to be paid over a maximum of three years, starting from the last installment of finance, so that the first year will be a grace period.

4- Banks calculate interest / return on balance of the finance as follows:

A- At a rate not exceeding 1.5% for the first half six months (the grace period) to be paid by Qatar Development Bank and borne by the government of the State of Qatar.

B - At a rate not exceeding (1% + QCB Lending Rate) from which the Qatar Development Bank pays a value of 1.5% and is borne by the government of the State of Qatar and any excess over 1.5% shall be paid by the customer during the second half of the first year (grace period).

C- A rate not exceeding (2% + QCB Lending Rate) borne by the customer and paid with the monthly installments during the remaining two years shall be without the support of the government of the State of Qatar.

#### **Fourth: Managing the National Guarantee Program:**

Qatar Development Bank will manage the National Guarantee Program to support the private sector and issue the related guidance in this regard.

Horizontal Supervision and Control Department  
Regulations and Policies Section

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These instructions are effective as from the issuance date and acceptance of all application submitted for finance shall be considered according to the terms and criteria approved in the program without requiring any additional guarantees from customers.

**Abdullah Bin Saud Al-Thani**

**The Governor**