



**QATAR
FINTECH
HUB**
مركز قطر للتكنولوجيا المالية

QDB
بنك قطر للتنمية
QATAR DEVELOPMENT BANK



QATAR'S FINTECH SECTOR EXECUTIVE SUMMARY

SME INDUSTRY SERIES 2024



As part of Qatar's efforts to strengthen the private sector and advance the country's entrepreneurship, SME, and innovation ecosystems in line with its National Vision 2030, Qatar Development Bank (QDB) continues to play a central role as a growth partner for entrepreneurs—supporting them from ideation to execution.

Through its SME Industry Series, QDB publishes sector-focused reports that provide Qatari entrepreneurs with valuable insights such as market demand analysis, competitive landscape assessments, and information on existing market players, enabling them to make informed decisions regarding market entry and business development.

This summary presents an overview of Qatar's evolving FinTech sector, which has gained global momentum, accelerated by the COVID-19 pandemic's push toward digital solutions such as contactless payments, online banking, and digital lending. It provides key market insights, emerging trends, an overview of the local ecosystem, and highlights potential opportunities for SMEs to adapt to changing market dynamics and enhance their competitiveness in Qatar's growing digital economy.

The detailed report, on which this summary is based, is available on the QDB website.

FinTech spans a broad and diverse range of segments, each offering unique opportunities and solutions across the financial services landscape. FinTech segments have been categorized by key verticals, aligned with the FinTech license types issued by QCB

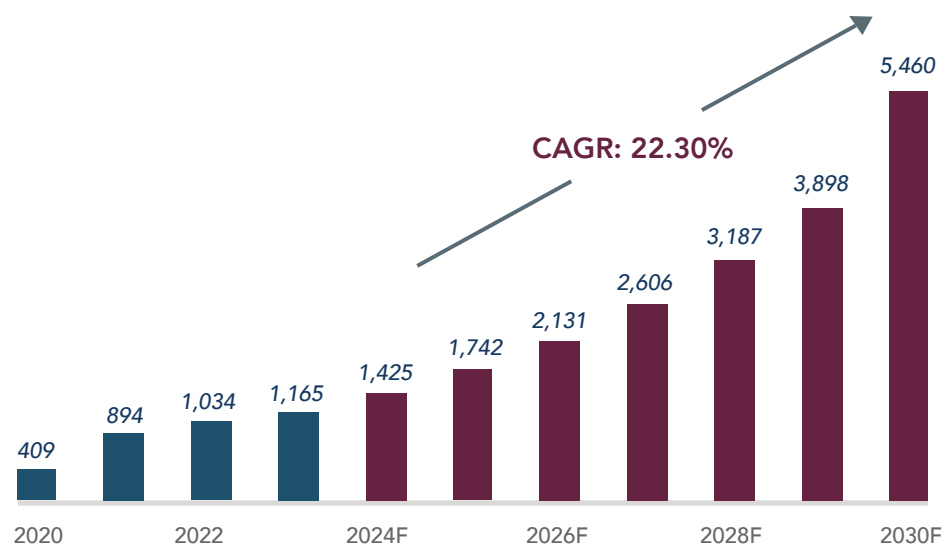
FINTECH MARKET SEGMENTATION

VERTICAL	DESCRIPTION	GLOBAL LEADERS
 DIGITAL PAYMENTS	A digital payment is the transfer of value from one payment account to another using a digital device or channel. For this report, a digital payment startup refers to merchant acquirers, which are payment gateway providers that offer the necessary infrastructure for merchants to start accepting digital payments.	
 DIGITAL WALLETS	A software-based system or application that stores payment information and electronic money, allowing users to make digital payments online and in-store, along with peer-to-peer (P2P) transfers. These can act as substitutes for traditional bank accounts. Along with digital payments, digital wallet providers are categorized under Payment Service Providers (PSPs).	
 BUY-NOW-PAY-LATER	Buy Now, Pay Later (BNPL) is a short-term financing option that lets consumers purchase items and spread the cost over time after a small initial payment. Unlike traditional bank loans, BNPL approvals are often quicker and typically interest-free.	
 P2P LENDING	P2P lending, also known as loan-based crowdfunding, allows individuals to obtain loans directly from others, bypassing traditional financial institutions as intermediaries. A P2P lending marketplace connects borrowers and lenders through an online platform, enabling lenders to offer loans at competitive rates while providing borrowers with more accessible financing options.	
 INSURANCE TECHNOLOGY (INSURTECH)	Insurtech is the use of technology to disrupt current insurance models, integrating mechanisms like the Internet-of-Things to increase claims verification accuracy. It is also used to evaluate risk, design policies, and assist underwriting. For this report, InsurTech refers to Digital Insurers and Price Comparison Websites (PCWs) as well as firms developing technologies for traditional insurers.	
 CENTRAL BANK DIGITAL CURRENCIES	CBDCs are digital versions of fiat currencies issued directly by central banks, leveraging blockchain technology to enhance security, traceability, and interoperability. Unlike traditional bank accounts, CBDCs are directly backed by the central bank which can reduce liquidity risks, although excessive consumer shifts from commercial banks to CBDCs could also increase this risk.	
 WEALTH TECHNOLOGY (WEALTHTECH)	WealthTech refers to the use of technology in wealth and asset management. This encompasses technologies like robo-advisors, algorithmic trading, Artificial Intelligence (AI) to provide personalized financial advice to retail and institutional investors.	
 REGULATION TECHNOLOGY (REGTECH)	RegTech facilitates regulatory compliance through technology, streamlining processes, and reducing manual oversight. In addition to monitoring transactions for suspicious activity, these tools analyze data in real time to help financial institutions detect risks, predict compliance issues, and improve security and efficiency.	
 ISLAMIC FINTECH	Islamic FinTech focuses on developing digital finance solutions that are Sharia-compliant, catering to the financial needs of Muslims. This applies across FinTech verticals including P2P lending, BNPL, wealth management, digital payments and digital banking.	
 OPEN BANKING	Open banking allows third-party financial service providers to access customer financial data through APIs. This enables FinTech companies to make informed decisions, such as assessing creditworthiness for lending. This increased data sharing improves customer experiences, encourages innovation in FinTech, and accelerates FinTech adoption.	
 DIGITAL BANKING	Digital banking is part of the broader context for the move to online banking, where banking services are delivered over the internet. It involves providing banking services such as payments, savings accounts, loans, and investment products through digital platforms like mobile apps or websites.	

An analysis of global trends projects payments, lending, and insurance as the leading segments in the sector by 2030

GLOBAL FINTECH DEVELOPMENTS

Global FinTech Market Size
(QAR Bn, 2020-2030F)



The global FinTech market is projected to grow with a **CAGR of 22.30%** to **QAR 5.46 Tn by 2030**.

This growth rate is driven by a strong expected trend in global adoption of **digital payments** and expanding **mobile banking infrastructure**.

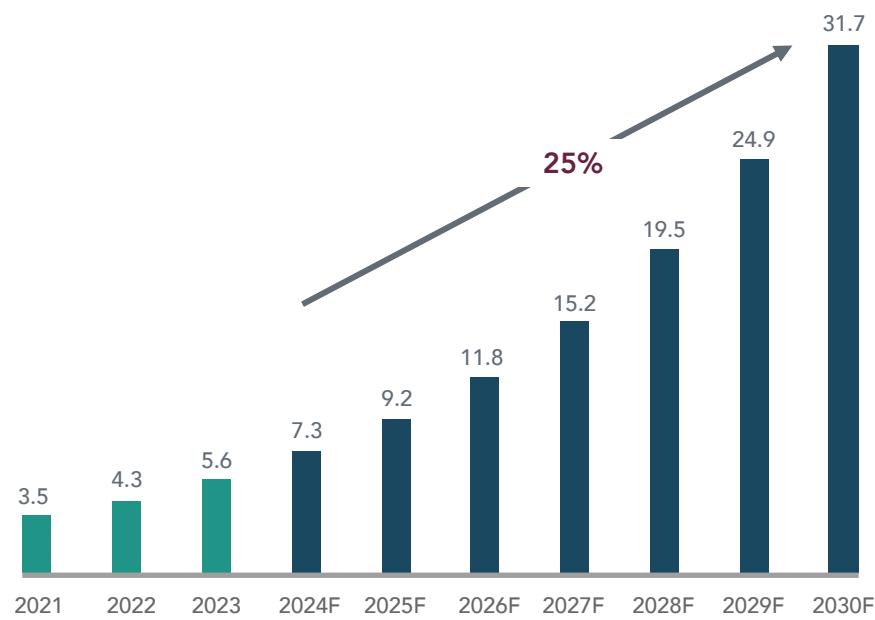
The FinTech revenue is set to more than **double in size between 2024 and 2030**, indicating sustained investor confidence and continued digital transformation across financial ecosystems.

Source: BCG

The GCC FinTech sector is poised for substantial growth, with projected revenues anticipated to surge from 2022 to 2030, in line with the global FinTech market

REGIONAL FINTECH MARKET

GCC FinTech Market Size
(QAR Bn, 2021-2030F)



In line with the global market, the GCC FinTech market is based on revenue estimates and projected to grow from QAR 5.6 billion in 2023 to **QAR 31.7 billion by 2030** at a **CAGR of 25%**.

This is indicated by **strong embedded FinTech growth**, where financial services are integrated into non-financial platforms (e.g., e-commerce, ride-hailing, telecom).

The GCC FinTech market is expected to add over **QAR 26 billion in value by 2030**, driven by strong regional adoption and supportive regulatory initiatives.

Source: Roland Berger – Embedded FinTech in the GCC, BCG – Global FinTech 2024

A supportive environment further propels the growth of the FinTech sector in the region. The proliferation of emerging FinTech hubs is laying the foundation for innovation in the sector

GCC FINTECH REGULATORY LANDSCAPE



Note: As of the latest available data, Kuwait and Oman do not have specialized FinTech hubs.

GCC FINTECH MARKET COMPARISON

	Economic Outlook	Regulatory Enablement	Consumer Digital Penetration	ICT Adoption	Talent Availability
 Qatar	✓✓✓	✓✓	✓✓✓	✓✓✓	✓✓
 Kuwait	✓✓✓	✓	✓✓	✓	✓✓
 Oman	✓	✓	✓✓	✓	✓
 Saudi Arabia	✓✓✓	✓✓	✓✓✓	✓✓	✓✓✓
 UAE	✓✓✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓
 Bahrain	✓	✓✓✓	✓✓✓	✓✓	✓✓✓

✓✓✓

Very Favorable Condition for FinTechs

✓✓

Favorable Condition for FinTechs

✓

Somewhat Favorable Condition for FinTechs



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KSA, UAE and Qatar have established themselves as market leaders with well-developed digital ecosystems.
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Bahrain was an early adopter of FinTech, launching the **first regulatory sandbox** in the region.
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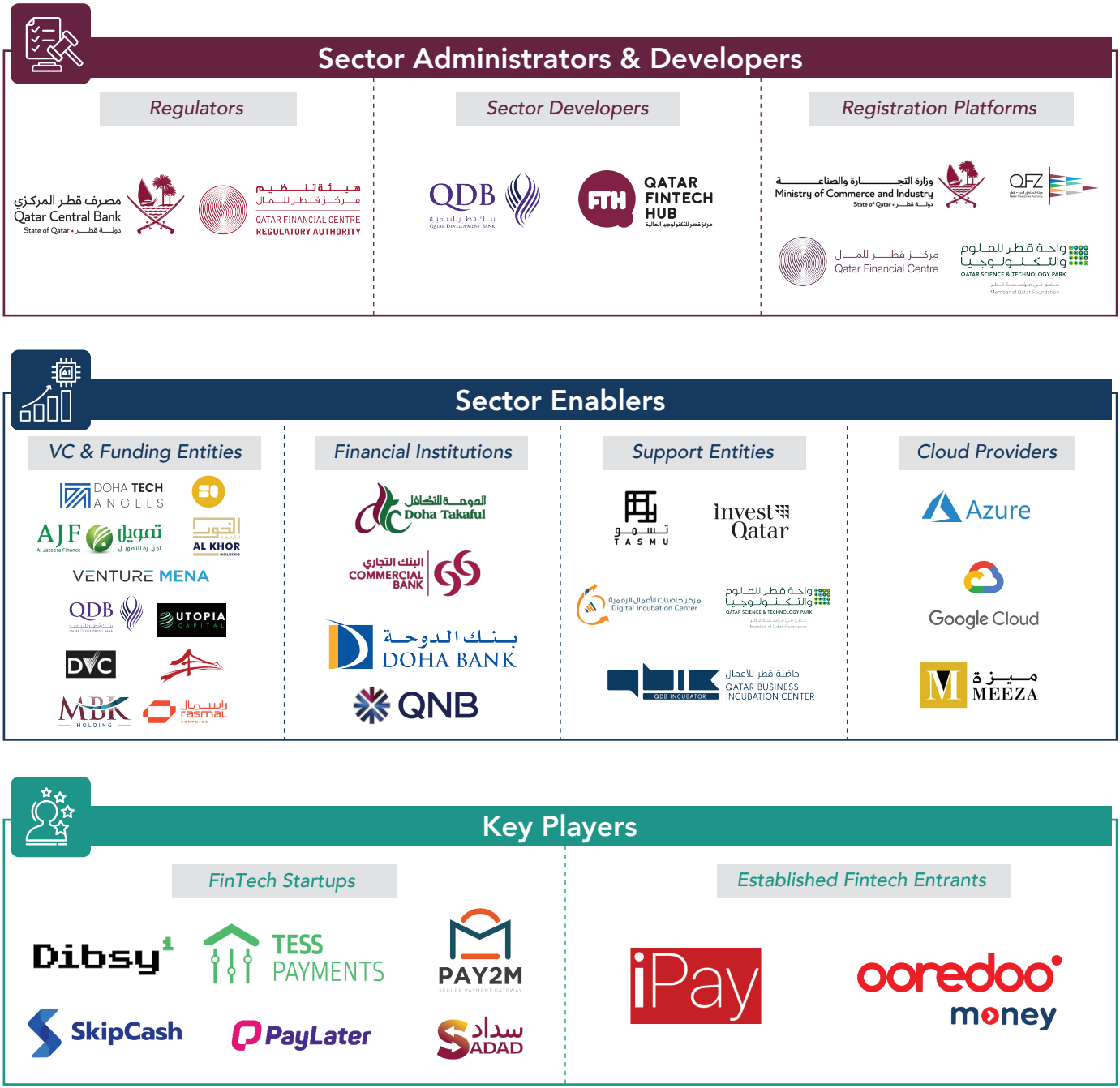
Kuwait and Oman remain in the nascent stages of FinTech development.

Source: World Bank – Global Competitiveness Index 4.0

Note: Rankings across parameters are based on a mix of World Bank indices (Global Competitiveness Index 4.0, Digital Adoption Index, Doing Business Indicators), UN e-Government Index, and expert inputs. Scoring reflects each country's performance in: macroeconomic stability, regulatory maturity, digital and mobile penetration, ICT infrastructure, and talent pool strength (e.g., tertiary/STEM education and digital skills).

Qatar’s FinTech ecosystem displays potential for growth. Anchored by an ecosystem structured around Sector Developers, Sector Enablers, and Startups, this ecosystem has established a robust foundation for the sector’s expansion

QATAR FINTECH ECOSYSTEM



Source: Primary Research. Company Websites

*Please note that the list of entities provided is not exhaustive.

Sector Administrators & Developers

QCB leads the foundational needs of the FinTech sector by establishing the legal and regulatory frameworks that ensure compliance, stability, and sector-wide alignment. QFCRA also support in regulatory oversight. In parallel, entities like QDB & QFTH as key developers continue to contribute to the growth of entrepreneurship, innovation to SMEs in line with the National FinTech Strategy (NFS) and the Third Financial Sector Strategy (3FSS). Together, this group formulate policies, set industry standards, facilitate licensing platforms and develop the FinTech landscape locally.

Sector Enablers

Sector enablers contribute towards operational and funding needs, infrastructure, talent development and incubation support to foster technological development. Venture capital and funding entities, including QDB and several regional investment firms, provide financial backing for early-stage and growth-stage FinTech companies. Financial institutions offer critical infrastructure, enabling startups to integrate into the financial ecosystem and access essential services like compliance and transaction monitoring. Additionally, sector enablers such as cloud services from Google Cloud, Microsoft Azure, and Meeza are essential for FinTech scalability, open banking implementation, and regulatory compliance, particularly in data security and localization.

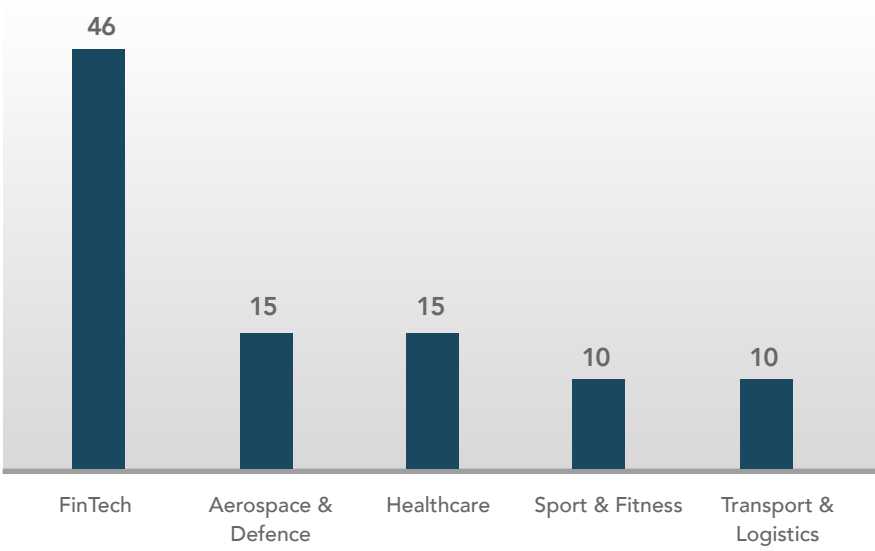
Key Players

At the core of Qatar's FinTech ecosystem, key players introduce innovative solutions like digital payments, BNPL, and P2P lending. Many also specialize in FinTech services, developing technologies that help financial institutions address key challenges and enhance the financial services sector. This sector includes established companies expanding into FinTech, such as Ooredoo Money and Vodafone’s iPay, alongside a diverse range of startups specializing in FinTech services.

As the central platform for FinTech development in Qatar, QFTH brings together the efforts of major stakeholders, including QDB, QCB, and QFC, fostering a collaborative ecosystem

FINTECH INVESTMENT IN QATAR

Qatar Industry VC Funding Comparison
(QAR Mn, 2024)



KEY INSIGHTS

Despite the fintech VC deal stagnation globally, FinTech received the **highest share of investment in 2024**, totaling QAR 46 million—over three times more than any other sector.

In deal activity, FinTech remains dominant, **capturing 29% of all Qatar transactions** in 2024.

QDB AND QFTH'S CONTRIBUTION TO QATAR'S FINTECH SECTOR



40 Mn+

QAR (USD 11 Mn+) investment in Pre-Seed FinTech startups



17 Mn+

QAR (USD 4 Mn+) invested by QDB in FinTech startups in Seed Funding



80+

FinTech startups form 30+ countries graduated from QFTH programs



450+

Jobs created through startup enablement



40+

Startups localized by QFTH in partnership with QFC and MOCI

Strategic initiatives relevant to Qatar’s FinTech sector span macro-level national strategies, implemented through a range of micro-level initiatives

KEY STRATEGIC INITIATIVES



QCB Strategy 2024 - 2030

QCB’s latest strategy reflects the growing significance of the FinTech market and aims to foster sector growth. The strategy emphasizes increasing the number of licensed FinTech firms by easing market entry processes.



National FinTech Strategy (NFS)

Launched by QCB in 2023, this framework accelerates Qatar's FinTech journey through four pillars: foundational infrastructure, growth areas, talent development, and financial inclusion through digital financial services. With 29 initiatives planned over five years, many are already underway.



Third Financial Sector Strategic Plan (3FSS)

Launched by QCB in 2023, this plan aims to position Qatar as a leader in financial innovation, focusing on banking, insurance, digital finance, and capital markets. A key component is enabling FinTech firms to develop solutions leveraging emerging technologies. Notable initiatives include a FinTech Talent Center of Excellence and incentives to attract FinTech firms.



Third National Development Strategy (NDS3)

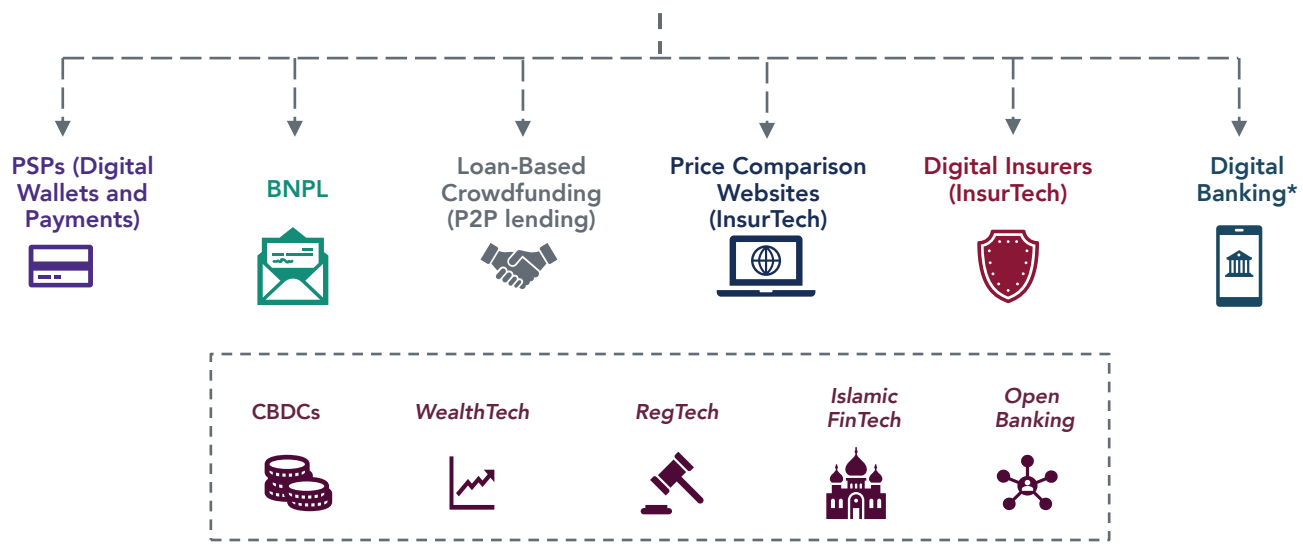
Aligned with the above strategies, NDS3 targets 35 FinTech startups launched by 2030, the establishment of an InsurTech hub, and a robust investment culture to support the sector's growth.

QFTH undertakes a key role in advancing the **NFS and 3FSS as the central platform** for FinTech development in Qatar

The Qatari FinTech market is characterized by activity in key segments with established regulations and emerging opportunities in other areas

LICENSING AND REGISTRATION

Available QCB FinTech Licenses

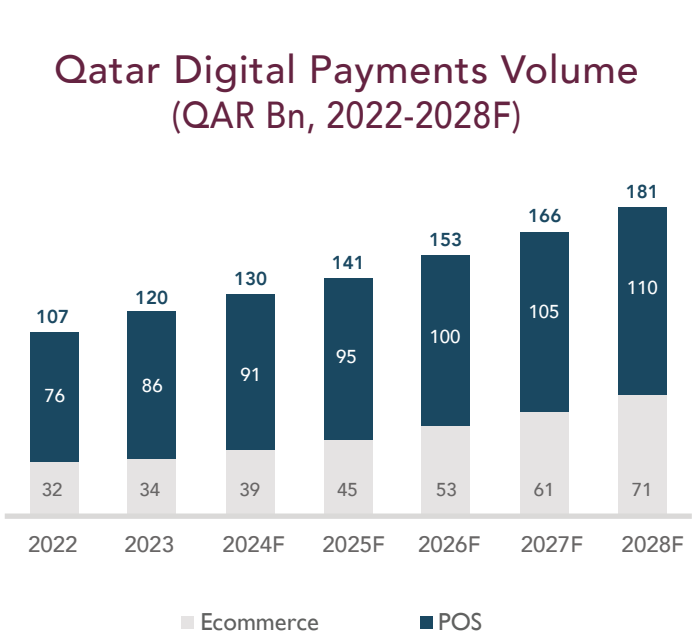


In addition to the available licenses depicted above, QCB has also established emerging technology frameworks such as AI and DLT guidelines, and E-KYC, cloud computing, and data handling regulations. The following sections provide an in-depth analysis of segments for which a QCB FinTech license is available*

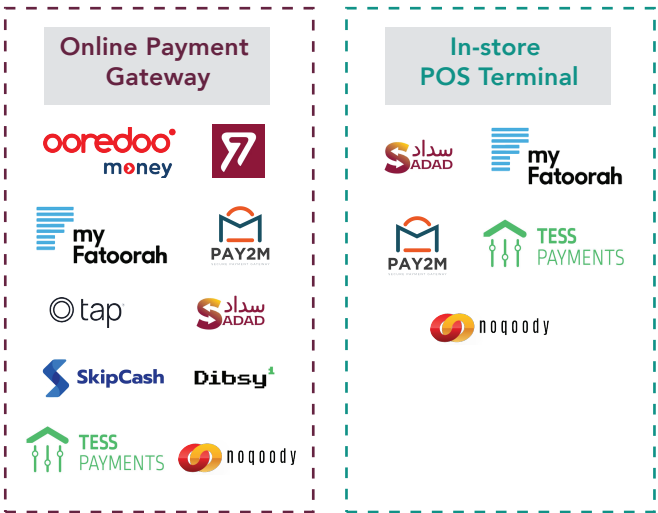
*Digital Banking has been covered at a high level as this license was recently introduced by QCB

Digital Payments, the largest FinTech segment globally, is expected to exhibit strong growth in Qatar as well, but faces increasing saturation

DIGITAL PAYMENTS LANDSCAPE IN QATAR



Key Local Players



NON-EXHAUSTIVE

Digital Payments transactions are expected to grow at a **CAGR of 16%** for **Ecommerce** payments and **5%** for **POS** payments.

Transactions are expected to total **QAR ~181 Bn** by **2028**.

Digital Payment companies in Qatar primarily offer **payment gateway services**, both through **online gateways** and **in-store POS terminals**, while payment processing is handled by banks.

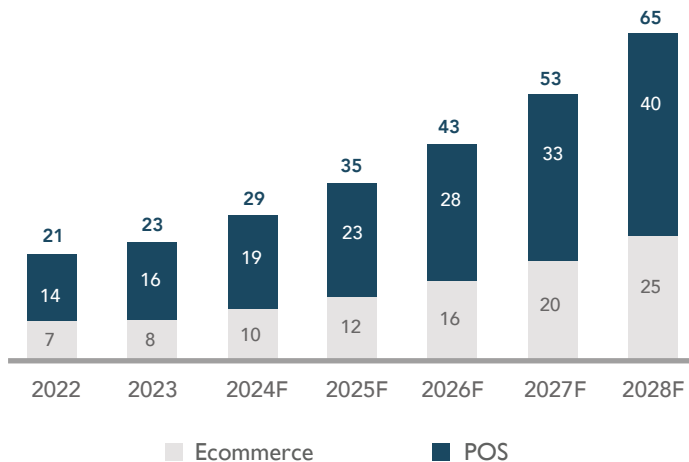
Source: QCB, WorldPay, Primary Research

Note: Please note the list of entities provided is not exhaustive. Values include transactions processed by both FinTech and non-FinTech entities.

This trajectory is also reflected in the increased adoption of Digital Wallets, as innovative solutions challenge traditional bank offerings

DIGITAL WALLETS LANDSCAPE IN QATAR

Qatar Digital Wallet Volume
(QAR Bn, 2022-2028F)



Key Local Players



NON-EXHAUSTIVE

Digital Wallet transactions are expected to grow at a **CAGR of 26%** for **Ecommerce** payments and **21%** for **POS** payments.

Transactions are expected to total **QAR ~65 Bn** by **2028**, accounting for **~34%** of digital payments.

The **Digital Wallet** market is dominated by **international players** and **local banks**, followed by solutions by **telcos** and pure **FinTech startups**.

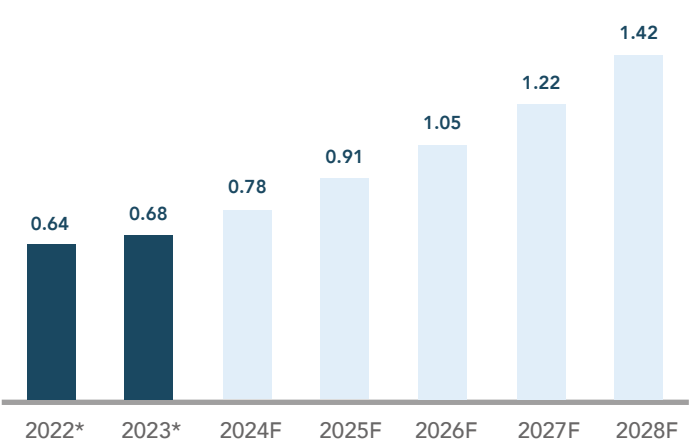
Source: QCB, WorldPay, Primary Research

Note: Please note the list of entities provided is not exhaustive. Values include transactions processed by both FinTech and non-FinTech entities.

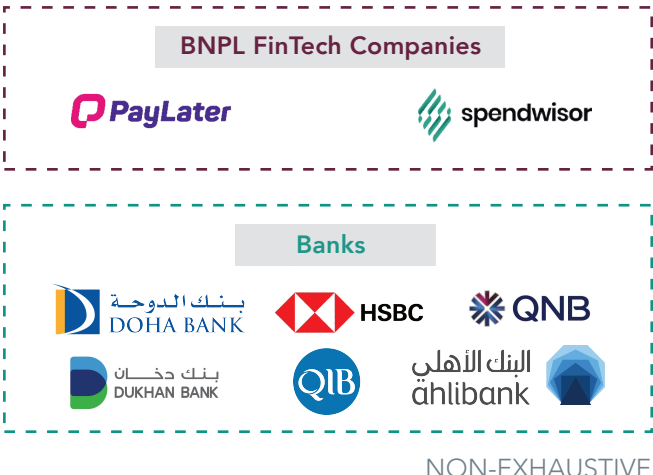
Similarly, rapidly growing ecommerce activity is expected to facilitate the BNPL segment's disruption of traditional personal loan mechanisms

BNPL LANDSCAPE IN QATAR

Qatar BNPL Ecommerce Transactions Value (QAR Bn, 2022-2028F)



Key Local Players



BNPL transactions are expected to grow at a CAGR of 16% and capture a 5% share of Ecommerce payments.

Transactions are expected to total QAR ~1.42 Bn by 2028, accounting for ~34% of digital payments.

There are no licensed BNPL providers in Qatar. The current players are enrolled in the regulatory sandbox.

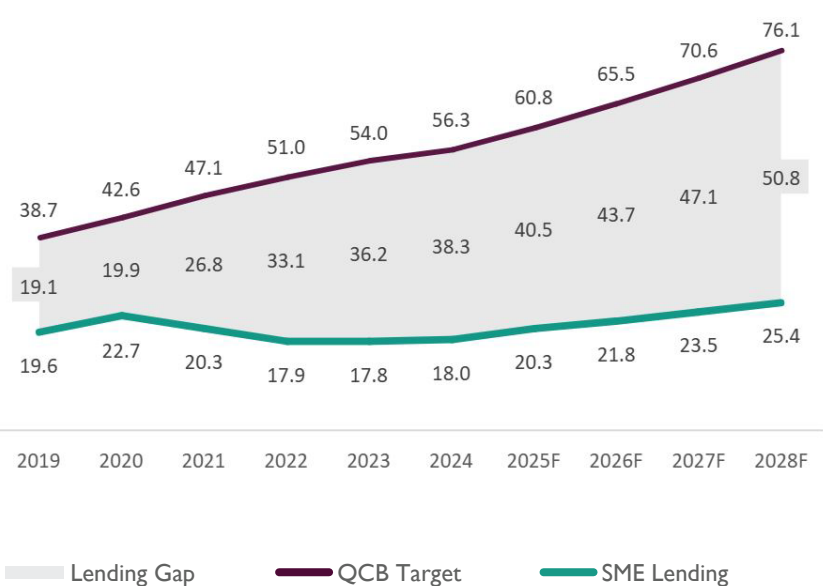
Consequently, shoppers look for personal consumption loans by traditional banks to finance their purchases.

Source: QCB, WorldPay
*Values for 2022 and 2023 represent potential market size, not actual transactions due to lack of licensed BNPL providers.

P2P lending offers an alternative approach to SME financing by enabling direct connections between borrowers and lenders through digital platforms

P2P MARKET OUTLOOK THROUGH SME LENDING STATUS

SME Lending Status in Qatar (QAR Bn, 2019-2028F)



Key SME Financing Entities*



The SME Lending Gap is being used as a proxy indicator for potential demand in P2P lending opportunities.

The gap between QCB's SME lending target and actual SME lending has widened over time, growing from QAR 19.1 Bn in 2019 to a projected QAR 50.8 Bn in 2028.

Actual SME lending remained stable between 2021 and 2024.

In markets where traditional bank financing may not fully meet the needs of small businesses, P2P models can provide faster access to capital, more flexible loan terms, and simplified credit assessments.

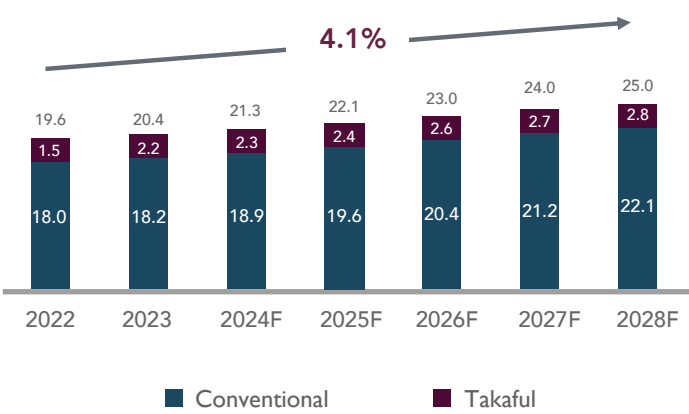
While still emerging in some markets, including Qatar, the development of regulated P2P lending platforms could contribute to the overall growth and inclusiveness of the financial sector.

Source: QCB, QDB SME Lending Reports
*QCB has accepted applications for P2P lending marketplaces and is currently assessing them to be included in the regulatory sandbox. At the time of writing, only one P2P Lending company, Ajyal FinTech Solutions LLC, has been granted entry into QCB's Sandbox. Current SME lending status data covers banks only

Despite the absence of licensed InsurTech firms, the segment is growing due to technological adoption by incumbents

INSURTECH LANDSCAPE IN QATAR

Qatar InsurTech Gross Written Premiums (QAR Mn, 2022-2028F)



Key Insurance Companies*



Gross Written Premiums (GWP), for InsurTech are expected to be 0.3% of total GWP, in line with global average, for a total of QAR ~25 Mn by 2028.

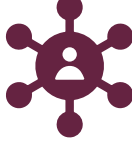
The B2C segment is dominated by traditional insurance companies utilizing innovative technologies in their services.

The B2B segment consists of software providers providing these solutions to traditional insurers.

Source: QCB, PSA, Precedence Research
*Currently, there are no licensed PCWs or Digital Insurers in Qatar.

Qatar also provides a supportive environment for SMEs across other segments, with emerging opportunities and evolving regulations

OTHER FINTECH SEGMENTS IN QATAR

Segments	Overview of Segment in Qatar
 Islamic FinTech	- The focus on Islamic FinTech by QFC and QFTH creates a favorable environment for SMEs. - Consequently, Qatar’s Islamic FinTech market is expected to experience strong growth, reaching USD 4 Bn (QAR ~14.5 Bn) by 2027 and the country ranks as 8th out of 64 on the Global Islamic FinTech Index, a measure of conduciveness to Islamic FinTech development.
 WealthTech	- B2C: With over 40% of the population registered as individual investors with the Qatar Stock Exchange (QSE), Qatar stands as a promising prospect for SMES looking to offer wealth management services directly to customers. - B2B: SMEs can provide WealthTech services to existing investment companies in Qatar. For example, FinanceGPT Labs offers AI-driven quantitative analysis for investment decision-making.
 RegTech	- Key components of FinTech regulations in Qatar include e-KYC (electronic Know Your Customer) and AML (Anti-Money Laundering). - Leveraging this absence, the current absence of RegTech providers to facilitate this required compliance translates to high infrastructure costs for existing companies. SMEs can offer cost-effective RegTech solutions for existing FinTech companies.
 Central Bank Digital Currencies	- QCB is conducting a pilot program for a wholesale CBDC designed for transactions between financial institutions. A successful pilot could lead to the testing of a retail CBDC for general consumer use. - In anticipation of these developments, FinTech companies will need to adapt their infrastructure and systems to integrate CBDCs, ensuring they remain competitive and compliant with emerging digital financial trends in Qatar.
 Open Banking	- Open banking is in its early stages in Qatar: the first Open Banking API was launched by Qatar National Bank in May 2024, tailored for its corporate clients. This will provide FinTech companies in Qatar with a unified platform to access customer financial data and process payments faster. - This enables FinTech companies to enhance operational efficiency, mitigate risk more effectively, and identify new revenue opportunities.
 Digital Banking	- Embedded finance refers to the integration of financial services such as payments, lending, insurance, and banking into non-financial platforms, making these services seamlessly accessible to users without requiring them to leave the platform they are using. This can include options like BNPL services at checkout or in-store payment plans. - Recently, NymCard, a leading embedded finance provider in the MENA region, announced a strategic partnership with AlRayan Bank in Qatar. This collaboration aims to drive fintech innovation and support Qatar’s Vision 2030 by enabling the creation of agile, customer-centric financial products.
 Digital Assets	- QFC has launched the QFC Digital Assets Lab to foster innovation and regulation in digital assets. This initiative provides startups with a controlled environment, technical support and regulatory guidance through partnerships with entities like Google Cloud, R3, and AlRayan Bank. - The Digital Assets Lab serves as an entry point for companies aiming to secure a full operational license in Qatar, with the QFC 2024 Digital Asset Regulations establishing a comprehensive framework for tokenization, property rights, custody, and smart contracts.
 Embedded Finance	- Embedded finance refers to the integration of financial services such as payments, lending, insurance, and banking into non-financial platforms, making these services seamlessly accessible to users without requiring them to leave the platform they are using. This can include options like BNPL services at checkout or in-store payment plans. - Recently, NymCard, a leading embedded finance provider in the MENA region, announced a strategic partnership with AlRayan Bank in Qatar. This collaboration aims to drive fintech innovation and support Qatar’s Vision 2030 by enabling the creation of agile, customer-centric financial products.

The SWOT analysis of Qatar’s FinTech sector reveals strengths and growth opportunities for SMEs amid challenges and competitive pressures

SWOT ANALYSIS

Strengths

The adoption of digital financial services in Qatar is increasing, with high-potential segments like P2P lending which is projected to face a lending gap of 50.8 Bn by 2028. The sector is supported by various institutions through progressive regulations such as QCB, QFC and QFTH, which as provided over QAR 32 Mn in pre-seed funding to date.

Threats

While funding options for pre-seed and Series A rounds exist, the relatively small size of the Qatari market may limit growth opportunities for FinTech companies, prompting them to seek expansion into other markets. FinTech services can be provided remotely, posing challenges for local companies.



Weakness

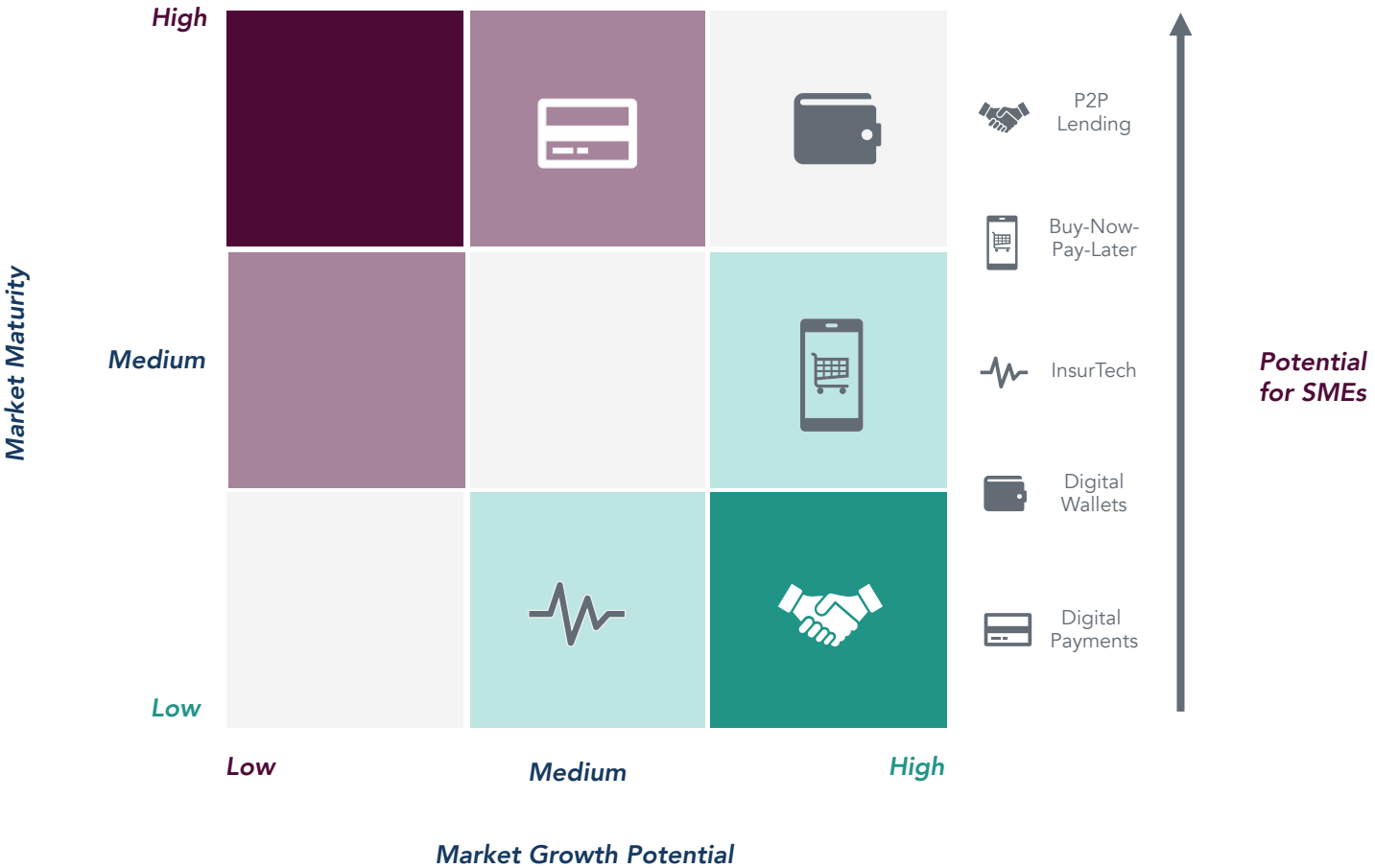
The FinTech sector is at a nascent stage of development resulting in a lack of awareness among banks, who view of FinTech companies as competitors. The constantly changing regulatory landscape can hinder companies' strategic planning and investment efforts.

Opportunities

QCB and QFTH are advancing Qatar's FinTech sector through various initiatives which support the local market, including encouraging banks and insurers to collaborate with FinTech firms. The local market is seeing increased adoption of digital payments, driven by a 20% rise in e-commerce in 2023.

The five segments featured as the focus of this report have been classified based on their market “maturity” and “growth potential”

THE WAY FORWARD & STRATEGIC RECOMMENDATIONS



Given the sector's immense potential, SME success depends on utilizing available support and exploring opportunities across the value chain

KEY RECOMMENDATIONS FOR SMES

1

Leverage Government Support

Qatar's FinTech sector ecosystem is characterized by strong support institutions. These institutions go beyond their traditional roles and provide guidance for startups during every step of the journey. QFTH, for example, acts as a mentor not only for early-stage startups through its incubator programs, but established players as well through its accelerator program. QFC goes beyond a commercial registration entity and provides opportunities for FinTech companies to showcase their offerings to incumbents through its Tech Circle, opening the path to collaboration. QCB offers guidance for startups that apply for the sandbox and plays an important role in raising awareness of the sector among traditional banks and payment processors.

2

Explore Opportunities along the Segment Value Chain / Lifecycle

Despite ongoing efforts to promote collaboration between traditional financial institutions and FinTech companies, partnerships remain limited due to the perception of FinTech companies as competitors, given their relatively recent emergence in the market. While this creates complexities for FinTech companies aiming to directly serve customers, it also presents opportunities for software providers to collaborate with existing players and support their adoption of innovative technologies. For example, companies can focus on developing credit scoring models which can be utilized by lending marketplaces. This approach also enables firms to contribute to the sector's growth without the immediate need for a QCB license, as the provision of software is not a regulated activity.

3

Prioritize Addressing Market Needs

FinTech companies in Qatar should focus on addressing genuine market needs and ensuring a strong product-market fit, rather than aiming to enter the market with unvalidated concepts. For example, digital insurers might consider focusing on smaller, underserved niches such as cargo insurance rather than competing in seemingly attractive high-demand, highly competitive categories like health insurance. This strategy is particularly important in sectors where licenses have not yet been issued. It not only enhances the likelihood of obtaining a QCB license but also facilitates smoother operations post-licensing, because QCB continues to oversee regulated companies to ensure they adhere to their initial objectives and effectively meet current market needs.

To conclude, Qatar's FinTech sector presents promising avenues for SMEs, driven by strong institutional support and forward-thinking regulations. By effectively utilizing available resources, tapping into value chain opportunities, and prioritizing product-market fit, SMEs can strategically position themselves for success and capitalize on the sector's growth potential.