

Amwal and Takaoud in deal to debut pension products in Qatar

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Amwal and Bahrain-based Takaoud have joined hands to provide long-term savings and pension products for the first time in Qatar's corporate sector, a move that could go a long way to address the vast expatriate populations' concerns on the end-of-service benefits.

Amwal, which would be the investment manager, would utilise Takaoud's open architecture and third party administration platform, which also offer more than 100 funds, to facilitate the creation of employee savings scheme and pension plans.

Takaoud, a Category I investment business firm licensed by the Central Bank of Bahrain, is 50% owned by Kuwait Projects Company (Kipco) and 50% by United Gulf Bank, a member of the Kipco Group.

Takaoud - which already has tie-ups with Barwa Bank and First Investor as well as proposals to have an agreement with Doha Bank - will provide Amwal with access to its fund and administration platform, enabling Amwal to offer its clients Takaoud's carefully-due-diligent investment solutions provided by global and regional asset managers, including a Shariah fund range.

Amwal and Takaoud are targeting individuals and corporate clients to give a big push to the pension industry in the region, where state pensions are suffering due to imbalances brought about by budgetary constraints.

"This is the first of its kind in introducing pension and savings scheme for



Amwal and Takaoud officials announce long-term employee savings and pension plans in Qatar.

the corporate sector. This is the beginning of pushing the pension industry in the right direction in the Gulf Cooperation Council (GCC)," Amwal chief executive Fahmi al-Ghoussein told reporters in Doha.

The initial agreement between the two organisations was signed in Bahrain last month.

"We have built an open architecture which supports different types of pension vehicles to enable to working with different partners and segments of customers in multi currencies," Takaoud chief executive Luc Metivier said.

Amwal's growing corporate client base will also now be able to offer corporate retirement and pension schemes, with the support of Takaoud, which administer assets worth \$35bn across the

Middle East and North Africa region.

"This strategic partnership between our two entities is based on the many areas where we complement each other. Together, we are stronger, paving the way to capturing new opportunities," according to Sheikha Hanadi bint Nassar bin Khaled al-Thani, chairperson Amwal, which is Qatar's first regulated investment company.

Metivier said the long-term savings schemes and pension plans have immense potential in the region as many companies do not have a well-defined structure for handling end-of-service benefits.

Although gratuity liabilities are declared on the company's balance sheet, often the capital has actually been ploughed back into the business, leaving

gratuity obligations entirely unfunded, he said.

Metivier said Takaoud operates on a transparent framework whereby each of its pillars are segregated with administration under it, investment management by various partners such as Amwal, and custodian, which is HSBC is in Qatar's case.

Amwal would customise the products according to the requirements of the individual and corporate clients and customers would have access to Takaoud's website, which enables them to track the performance of their respective schemes and plans.

He said the pension schemes would be defined contributory where in employer and employee chip in with certain proportion of their investments.