



Operating Through Uncertainty



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Practical Legal Guidance for Businesses in Qatar During Periods of Regional Instability

Periods of regional instability present complex legal challenges that extend beyond a single issue or contract. They affect the entire business ecosystem spanning contractual performance, construction projects, service delivery, workforce management, and insurance coverage.

This guide provides a practical, legally grounded framework for navigating these challenges under Qatari law. At its core, the legal position is not driven by the existence of disruption itself, but by its precise legal characterisation and documented impact. Whether an event gives rise to force majeure, exceptional circumstances, or no relief at all will determine the rights, obligations, and potential liabilities of the parties involved.

Several key principles emerge:

- **Force majeure is not automatic** - relief depends on whether performance is truly impossible, not merely more difficult or costly.
- **Legal classification is decisive** - the distinction between impossibility and hardship directly shapes available remedies.
- **Contracts remain central** - risk allocation, notice requirements, and remedies are primarily governed by the contractual framework.
- **Procedure and evidence are critical** - timely notices, clear causation, and demonstrable mitigation often determine the outcome.
- **Insurance must be actively managed** - coverage depends as much on compliance with disclosure and notification obligations as on policy wording.
- **Workforce and operational issues require structured handling** - legal obligations continue to apply, even in times of disruption.
- **Construction projects demand heightened discipline** - particularly in relation to delay, disruption, and claims under complex contract structures.

Purpose of This Guide

This guide is designed to:

- clarify the application of Qatari law in times of disruption;
- support informed and strategic decision-making; and
- provide practical steps to safeguard legal and commercial positions.

Each chapter addresses a critical risk area, offering actionable guidance grounded in the legal framework.

Our Approach

In periods of uncertainty, effective legal support requires a combination of technical precision and commercial awareness.

We work with clients to:

- assess risk with clarity;
- navigate complex legal frameworks; and
- implement strategies that protect both immediate operations and long-term objectives.



Force Majeure, War, and Contractual Performance Under Qatari Law:

Recent regional developments and escalating geopolitical tensions are creating significant disruption to supply chains, logistics, and commercial operations. Businesses operating in or connected to Qatar may face difficulties in performing contractual obligations due to factors such as:

- closure of maritime or transport routes;
- disruption to shipping and logistics channels;
- suspension of supply by foreign counterparties; and
- unavailability of key materials or components.

While the immediate commercial response may be to suspend performance, the legal position under Qatari law is more nuanced and requires careful analysis.

The Legal Framework Under Qatari Law

1. Binding Nature of Contracts

Under Article 171 of the Qatari Civil Code, contracts are binding and cannot be amended or terminated unilaterally, except:

- by agreement between the parties; or
- in circumstances expressly permitted by law.

However, Qatari law recognises two key exceptions that may apply in times of crisis.

2. Exceptional Circumstances (Hardship)

Where:

1. an unforeseen public event occurs; and
2. performance remains possible but becomes excessively onerous, exposing a party to significant loss,

The courts may intervene to rebalance the contract by reducing the affected obligation to a reasonable level.

Importantly:

- the obligation does not disappear; and
- the contract continues, subject to potential judicial adjustment.

3. Force Majeure (Impossibility)

Where an event:

- is beyond the control of the parties; and
- renders performance impossible, the legal consequences are more significant.

Under Articles 188 and 402 of the Civil Code:

- The obligation is extinguished.
- Corresponding obligations fall away; and
- the contract may be automatically terminated by operation of law.



War and Its Legal Classification

War, in itself, is not automatically classified as force majeure under Qatari law. The decisive factor is not the nature of the event, but its actual impact on the specific contractual obligation.

In practice, the same event (including war) may fall into one of three categories:

1. Impossibility (Force Majeure) e.g. total closure of routes or legal prohibitions preventing delivery entirely.
2. Onerous Performance (Exceptional Circumstances) e.g. performance remains possible but at significantly increased cost or delay.
3. Delay or Disruption (No Relief from Liability) e.g. logistical challenges that do not fundamentally prevent performance.

This distinction is critical. A party that suspends performance assuming force majeure may, in reality, be committing a contractual breach.

Liability and Compensation

Under Article 256 of the Civil Code:

- a party is generally liable for damages resulting from non-performance or delay, unless it proves that the failure was caused by a foreign event beyond its control.

In practice, disputes often focus on:

- whether liability for delay remains;
- whether liquidated damages apply; and
- whether a sufficient causal link exists between the event and the failure to perform.

It is important to note:

- increased cost or commercial difficulty alone is not sufficient to exclude liability; and
- the burden of proof rests on the party seeking relief.

Notice and Procedural Requirements

Compliance with contractual and legal notice requirements is essential.

Under Articles 260 and 261:

- compensation is generally not recoverable unless the defaulting party has been formally notified;
- however, court proceedings may in some cases substitute formal notice.

From a practical perspective:

- parties must review contractual notice provisions carefully;
- timely and clear communication is critical; and
- failure to comply with notice requirements can undermine otherwise valid legal positions.

Practical Guidance for Businesses

In light of the above, businesses should adopt a structured and legally informed approach:

1. Do Not Assume Force Majeure Applies

Avoid treating force majeure as a blanket justification. Each situation must be legally characterised based on its actual impact.

2. Assess the Nature of the Impact

Determine whether the event has:

- made performance impossible;
- rendered it excessively onerous; or
- caused delay only.



3. Review Contractual Provisions

Carefully examine:

- force majeure clauses;
- suspension and termination rights;
- notice requirements; and
- cure periods and mitigation obligations.

4. Issue Proper Notices

Notify counterparties promptly, clearly setting out:

- the event;
- its impact on performance; and
- the legal basis being relied upon.

5. Preserve Evidence

Maintain documentation demonstrating:

- disruption (e.g. closures, restrictions, supplier communications);
- attempts to mitigate; and
- lack of viable alternatives.

6. Consider Commercial Strategy

Where appropriate, explore:

- renegotiation;
- temporary adjustments; or
- alternative performance mechanisms.

Key Takeaway

Under Qatari law, war and related disruptions do not automatically entitle a party to suspend performance or terminate a contract.

The legal outcome depends on:

- the precise classification of the event;
- its direct impact on the obligation; and
- compliance with contractual and statutory requirements.

Sound risk management requires legal analysis, not assumptions.



Force Majeure Under the Qatar Financial Centre (QFC) Contract Regulations

Overview

For entities operating within the Qatar Financial Centre (QFC), force majeure is governed by Article 94 of the QFC Contract Regulations (Version 2, 2024).

Unlike the position under Qatari civil law, the QFC framework reflects a common law- influenced approach, where the treatment of force majeure is more expressly defined by regulation and contractual structure.

Understanding the distinctions between the QFC regime and the wider Qatari legal framework is essential, particularly for businesses operating across both jurisdictions or within multi-layered contractual arrangements.

Effect of Force Majeure Under Article 94

Article 94 provides that:

- a party will not be considered in breach of contract; and
- will not be liable for delay or failure in performance, to the extent that such delay or failure is caused by a force majeure event.

This establishes a clear principle:

force majeure operates as a shield against liability, rather than as an automatic basis for termination or compensation.

Suspension of Obligations and Payment

Where performance is affected by force majeure:

- the affected party's obligations may be suspended for the duration of the event;
- the unaffected party is correspondingly relieved from its obligation to make payment during the period of non-performance.

However:

- payment remains due for any performance already completed in accordance with the contract.

This reflects a balanced allocation of risk, whereby:

- neither party is penalised for non-performance caused by force majeure;
- but neither party gains a financial advantage during the period of disruption.

Notice and Procedural Requirements

Compliance with contractual and legal notice requirements is essential.

Under Articles 260 and 261:

- compensation is generally not recoverable unless the defaulting party has been formally notified;
- however, court proceedings may in some cases substitute formal notice.

From a practical perspective:

- parties must review contractual notice provisions carefully;
- timely and clear communication is critical; and
- failure to comply with notice requirements can undermine otherwise valid legal positions.



No Entitlement to Additional Compensation

A key feature of the QFC regime is that:

- while time for performance may be extended;
- there is no automatic entitlement to additional payment or compensation arising from force majeure.

In addition:

- neither party may claim damages for delay or failure in performance caused by the event.

This distinguishes the QFC framework from certain contractual models where cost recovery may be available, and reinforces the principle that force majeure operates to allocate risk, not redistribute financial burden.

Procedural Obligations

Article 94 imposes clear procedural requirements on the affected party.

The affected party must:

- provide prompt notice of the force majeure event;
- describe its nature, extent, and anticipated duration; and
- use reasonable endeavours to mitigate its effects and resume performance as soon as possible.

Compliance with these requirements is critical.

Failure to notify or mitigate may undermine reliance on force majeure protections.

Termination Rights

Where the force majeure event:

- delays or prevents performance for a continuous period exceeding six months,
- the unaffected party is entitled to:
- terminate the contract by notice.

This introduces a clear temporal threshold, after which prolonged disruption may justify bringing the contractual relationship to an end.

Interaction with Qatari Law

In the absence of an express force majeure clause, the applicable legal framework will depend on the governing law of the contract:

- contracts governed by QFC law will fall within the scope of the QFC Contract Regulations;
- contracts governed by Qatari law will be subject to the Civil Code provisions on force majeure and exceptional circumstances.

In all cases:

- the determination of whether force majeure applies remains fact-specific; and
- courts and tribunals retain discretion to assess whether the legal threshold has been met based on the evidence presented.

Practical Guidance for Businesses Operating in the QFC

1. Confirm Governing Law and Jurisdiction

Identify whether the contract is governed by QFC law, Qatari law, or a combination across contractual layers.

2. Understand the Risk Allocation Model

Recognise that under QFC Regulations:

- time relief may be available;
- but financial compensation is generally excluded.

3. Comply Strictly with Notice Requirements

Ensure timely and detailed notification of force majeure events.

4. Mitigate and Document

Maintain clear records of:

- the impact of the event;
- mitigation efforts; and
- steps taken to resume performance.

5. Monitor Duration and Termination Rights

Track the duration of disruption to assess whether termination rights may arise.

Key Takeaway

Under the QFC Contract Regulations, force majeure operates primarily to:

- suspend performance; and
- exclude liability,

rather than to provide financial compensation.

The effectiveness of any force majeure claim depends on:

- compliance with procedural requirements;
 - accurate characterisation of the event; and
- the ability to demonstrate its impact on performance.



Comparison: QFC Contract Regulations vs Qatari Civil Code (Force Majeure)

Aspect	QFC Contract Regulations (Art. 94)	Qatari Civil Code (Arts. 171, 187–188)
Legal System	Common law-influenced regulatory framework	Civil law (codified statutory regime)
Concept of Force Majeure	Expressly defined within the regulations	Based on statutory principles of impossibility
Threshold	Delay or failure caused by force majeure event	Objective impossibility (force majeure) or excessive onerousness (hardship)
Effect on Liability	No breach; no liability for affected party	Liability excluded where foreign cause proven
Effect on Performance	Suspension of obligations during the event	Suspension possible; extinction if impossibility becomes definitive
Payment Obligations	Payment suspended (except for completed performance)	Depends on classification; may continue, be adjusted, or extinguished
Extension of Time (EOT)	Expressly recognised	Not automatic it depends on contract and legal characterisation
Right to Compensation	No entitlement to additional payment or damages	No compensation in force majeure; possible adjustment under hardship (Art. 171)
Termination	Permitted after 6 months of continuous force majeure	Automatic rescission if impossibility established (Art. 188)
Hardship / Onerousness	Not expressly addressed in Article 94	Expressly recognised (Art. 171 - judicial adjustment)
Notice Requirements	Express obligation to notify and mitigate	Derived from contract and general legal principles
Judicial Discretion	More structured, rule-based application	Broader judicial discretion based on facts and equity

The Impact of War on Service and Operation Contracts in Qatar

Overview

In times of war or regional instability, the impact on contracts does not always result in a complete inability to perform. In many cases, the disruption affects how services are delivered, rather than whether they can be delivered at all.

Common operational challenges may include:

- delays in mobilising personnel or accessing project sites;
- disruption in the supply of materials, spare parts, or equipment;
- restrictions on the movement of technicians or specialists;
- increased transport, logistics, or insurance costs; and
- inability to meet agreed response times or service levels.

These issues give rise to a key legal question:

Does the service provider remain liable for delay or reduced performance, or can it rely on wartime conditions to limit or exclude liability?

The Starting Point: The Contract

Under Qatari law, the analysis begins with the contract.

Service and operation contracts typically:

- define the scope of services and performance standards;
- set response times and service level requirements;
- regulate suspension, delay, and termination; and
- include provisions on force majeure, hardship, or access restrictions.

In many cases, such contracts go beyond a general obligation to perform and impose detailed operational metrics, including:

- minimum service levels;
- availability thresholds; and
- contractual penalties or deductions for non-compliance.

Accordingly, the first step is to determine whether the contract:

- expressly allocates risk for events such as war or disruption; or
- leaves the matter to the general provisions of Qatari law.

A general reference to war or disruption is not sufficient. The analysis must be grounded in the specific contractual obligations and risk allocation framework.

Liability for Non-Performance and Delay

Where the contract does not fully resolve the issue, the Qatari Civil Code applies.

Under Article 256:

- a party is liable for damage resulting from non-performance or delay;
- unless it proves that the failure was caused by a foreign event beyond its control.

For service providers, this creates a high evidentiary threshold.

It is not sufficient to demonstrate:

- general disruption in the region; or
- increased difficulty or cost of performance.



The service provider must establish that:

- the specific event directly caused the failure to perform; and
- no reasonable alternatives were available, or alternatives would impose an exceptional and unforeseeable burden.

This distinction is critical. There is a clear legal difference between:

- true inability to perform, and
- operational inconvenience or increased cost.

Impossibility vs. Onerous Performance

The legal classification of the impact of war remains central.

1. Impossibility (Force Majeure)

Where performance becomes genuinely impossible:

- the obligation may be extinguished under Article 188;
- and the contract may be automatically rescinded within legal limits.

2. Exceptional Circumstances (Hardship)

Where performance remains possible but becomes excessively onerous:

- Article 171(2) allows the court to adjust the obligation to a reasonable level;
- the contract remains in force, subject to judicial intervention.

3. Operational Difficulty (No Relief)

Where disruption does not reach either threshold:

- the obligation remains fully enforceable;
- and liability for delay or defective performance may still arise.

In service contracts, this distinction is particularly sensitive.

A provider may argue that war has fundamentally altered the economic balance of the contract, while the client may maintain that such risks fall within the ordinary commercial scope of the agreement.

Notice and Contract Management

The legal classification of the impact of war remains central.

As with all force majeure-related matters, procedural compliance is critical. Service providers should:

- review contractual notice provisions carefully;
- notify counterparties promptly upon becoming aware of disruption; and
- clearly describe the impact on specific obligations.

Delay in providing notice, or failure to follow contractual procedures, can:

- weaken legal arguments; and
- expose the provider to avoidable liability.

Practical Guidance for Service Providers and Clients

1. Conduct a Detailed Contract Review

Identify:

- affected obligations;
- performance standards; and
- contractual remedies and limitations.

2. Characterise the Impact Correctly

Assess whether the disruption constitutes:

- impossibility;
- exceptional hardship; or
- operational delay.

3. Avoid Over-Reliance on Force Majeure

Force majeure should not be invoked as a general or precautionary measure without proper legal basis.

4. Issue Timely and Clear Notices

Ensure compliance with:

- contractual notice requirements; and
- applicable legal standards.

5. Preserve Evidence

Maintain records demonstrating:

- access restrictions;
- supply chain disruption;
- personnel limitations; and
- mitigation efforts (including alternative solutions explored).

6. Mitigate and Engage Commercially

Where possible:

- explore alternative methods of performance;
- engage with counterparties proactively; and
- consider negotiated adjustments.

Key Takeaway

Under Qatari law, war does not automatically relieve a service provider from liability.

The outcome depends on:

- the precise legal classification of the disruption;
- the contractual allocation of risk; and
- the ability to demonstrate a direct causal link between the event and the failure to perform.

A failure to properly assess these elements may expose a party to unexpected contractual liability.



Force Majeure in Qatar Construction Contracts

Overview

Construction contracts particularly EPC agreements, FIDIC-based forms, and large-scale infrastructure arrangements are inherently exposed to geopolitical disruption due to their reliance on:

- cross-border supply chains;
- international labour mobility;
- insurance availability; and
- regulatory and governmental approvals.

The impact of such a conflict extends beyond site-level disruption to include:

- procurement constraints;
- financing and insurance implications; and
- compliance with evolving regulatory measures.

As a result, any assessment of force majeure in this context requires a fact-specific and jurisdiction-sensitive analysis under Qatari law.

Why Construction Projects in Qatar Are Particularly Exposed

The ongoing circumstances in the GCC may give rise to a range of direct and indirect impacts on construction projects, including:

- airspace restrictions affecting mobilisation of personnel and equipment;
- maritime disruption, including pressure on key shipping routes and chokepoints;
- restricted access to project sites due to security considerations; and
- volatility in insurance markets, particularly in relation to war risk coverage.

These factors often translate into:

- delays;
- disruption to sequencing and logistics; and
- increased project costs.

In Qatar, these risks arise within a complex contractual and legal framework, where:

- government and quasi-government entities frequently adopt FIDIC-based contracts with bespoke amendments; and
- projects operate within an ecosystem shaped by the Civil Code, Commercial Code, Labour Law, procurement frameworks, and arbitration regimes.

The Threshold Issue: Governing Law and Contract Structure

Large construction projects in Qatar typically involve a multi-layered contractual structure, including:

- a main EPC or project agreement; and
- multiple subcontracts, supply agreements, and manpower arrangements.

A critical threshold issue is the governing law applicable at each contractual level.

This is particularly important because:

- Qatar operates as a civil law jurisdiction, where force majeure is governed by statutory provisions;
- Court of Cassation judgments provide interpretative guidance; and
- certain project elements (e.g. financing structures or SPVs) may fall within the Qatar Financial Centre (QFC), which applies a common law framework.

Accordingly, the legal analysis may differ depending on whether:

- Qatari civil law; or
 - QFC/common law principles
- apply to a given contractual layer.

Under the Qatari Civil Code, force majeure is assessed by reference to impossibility of performance.

Where performance becomes impossible due to an event beyond the control of the obligor:

- obligations may be extinguished;
- corresponding obligations may fall away; and
- the contract may be automatically rescinded, in whole or in part.

Where impossibility is partial:

- performance may continue to the extent possible; or
- termination may be sought in relation to the affected obligations.

In practice:

- obligations may be suspended during the force majeure period;
- and only extinguished where impossibility becomes definitive.

A key distinction under Qatari law is between force majeure (impossibility); and exceptional circumstances (hardship) under Article 171. Where:

- performance is objectively impossible = force majeure may apply;
- performance remains possible but becomes excessively onerous = hardship may apply.

Under Article 171:

- the court may adjust the obligation to a reasonable level;
- the contract remains in force; and
- the focus is on restoring contractual balance rather than extinguishing obligations.

This distinction is particularly relevant in construction, where many war-related impacts:

- do not prevent performance entirely;
- but significantly affect cost, timing, and logistics.

Typical Construction Scenarios: Legal Classification

Scenarios Likely to Support Force Majeure (Impossibility)

- legal or regulatory restrictions preventing access to sites, ports, or materials;
- sanctions or prohibitions affecting procurement or payment;
- airspace closures preventing mobilisation of critical personnel or equipment;
- security restrictions rendering project sites inaccessible.

Scenarios Likely to Support Hardship (Onerous Performance)

- significant increases in insurance premiums or withdrawal of coverage;
- rerouting of shipping leading to extended timelines;
- congestion and delays in logistics networks;
- sharp increases in material, fuel, or transport costs.

Relief in Construction Disputes

The nature of relief depends on the classification of the event and its impact.

Potential outcomes include:

- extension of time (EOT);
- suspension of performance;
- relief from delay damages;
- partial adjustment of obligations; or
- termination, where impossibility becomes permanent.



Under Qatari law:

- force majeure may lead to extinction of obligations (Article 188);
- hardship may lead to judicial adjustment (Article 171).

Importantly, such relief is typically contingent on compliance with contractual procedures; and subject to evidentiary requirements.

Contract Administration: Notice, Causation, and Mitigation

In practice, disputes are often determined by contract administration and evidentiary discipline rather than legal principles alone.

Key requirements include:

- issuing timely and compliant notices;
- demonstrating a clear causal link between the event and the impact on performance;
- evidencing mitigation efforts; and
- maintaining contemporaneous records.

Relevant evidence may include:

- shipping and logistics records;
- port or airspace closure notices;
- insurer communications; and
- project site access records.

Practical Guidance for Employers and Contractors

1. Identify Governing Law and Contractual Layers

Confirm the applicable legal framework across all project agreements.

2. Classify the Impact Accurately

Distinguish between:

- impossibility (force majeure); and
- increased burden (hardship).

3. Comply with Notice Requirements

Issue protective notices promptly in accordance with contractual provisions.

4. Preserve Evidence of Causation

Maintain clear documentation linking the event to the delay or disruption.

5. Avoid Premature Termination

Termination should only be considered where impossibility is clearly established.

6. Align Upstream and Downstream Contracts

Ensure consistency across main contracts, subcontracts, and supply arrangements.

Key Takeaway

In the context of construction projects in Qatar, force majeure arising from a GCC - Iran conflict is not automatic.

The availability of relief depends on:

- the governing law;
- the contractual framework;
- the factual impact of the event; and
- compliance with procedural requirements.

Early and structured legal analysis is essential to:

- preserve contractual entitlements; and
- mitigate exposure to delay claims or termination risk.

Insurance Coverage: Exclusions, Disclosure, and Notification Under Qatari Law

Overview

In periods of war or regional instability, businesses understandably focus on operational continuity, supply chain resilience, and the performance of contractual obligations. Insurance considerations, however, are often deferred until a loss materialises or a claim arises.

Under Qatari law, insurance arrangements form an integral part of a company's risk management framework, and their effective operation depends on timely and structured engagement by the insured.

Insurance exposure in such circumstances extends beyond:

- physical damage to property or goods;
- business interruption;
- disruption to projects; and
- third-party liability.

It also encompasses the manner in which the insured manages its relationship with insurers from the outset, including:

- the accurate disclosure of risk;
- the timely notification of incidents;
- the payment of premiums; and
- the communication of material changes affecting operations.

Accordingly, insurance-related issues may arise not only in relation to the scope of coverage, but also in connection with compliance with the procedural and contractual obligations that underpin the insurance relationship.

Duties of Disclosure and Notification

1. Disclosure of Risk

Under Article 781 of the Qatari Civil Code, the insured is required, at the time of contracting, to:

- disclose all information requested by the insurer; and
- provide a clear and accurate representation of the risk.

This obligation continues throughout the life of the policy.



2. Notification of Material Changes

The insured must notify the insurer promptly of:

- any increase in risk; and
- any event that may give rise to the insurer's liability.

In a wartime context, this may include:

- changes in shipping routes or logistics arrangements;
- relocation of goods, assets, or personnel;
- use of alternative transport or storage methods;
- operating in higher-risk environments; or
- modifications to security or risk mitigation measures.

Such changes may not be purely operational. They may constitute a material alteration of the insured risk, triggering a legal duty to notify.

Early Notification: A Critical Requirement

A common error is to delay notification until:

- the extent of the loss is known; or
- the insured believes the policy is likely to respond.

This approach is inconsistent with Article 781.

The legal threshold is not certainty of coverage, but whether the event may engage the insurer's liability.

Accordingly, best practice requires:

- early notification once a relevant event occurs; and
- subsequent updates as further information becomes available.

Failure to notify promptly may:

- weaken the insured's position; and
- give rise to disputes independent of the underlying claim.

Consequences of Non-Disclosure or Misrepresentation

Under Article 782:

- the insurer may avoid the contract if the insured conceals or misrepresents material facts affecting risk assessment; and
- if such issues are discovered after a loss, the insurer may reduce the indemnity proportionately based on the premium that would have been charged.

In a wartime context, this means that disputes may arise not only in relation to:

- whether a loss is covered; but also:
- whether the insured properly disclosed changes in risk resulting from the evolving situation.

Premium Payment and Policy Continuity

The timely payment of premiums is a fundamental requirement.

Under Article 788:

- if a premium is not paid when due, the insurer may issue notice;
- and suspend the policy after 30 days from such notice.

During periods of disruption, businesses may:

- overlook payment deadlines;
- experience internal administrative delays; or
- fail to process insurer communications in time.

The consequence may be:

- suspension of coverage; or
- a gap in protection at a critical moment.

Importantly, such issues arise independently of coverage analysis and may undermine claims even where the underlying risk would otherwise be insured.

War Exclusions and Policy Interpretation

Insurance policies often include exclusions relating to:

- war;
- hostile acts; or
- political violence.

However, under Qatari law:

- exclusion clauses must be interpreted narrowly; and
- clear contractual wording is applied strictly, but not expansively.

Accordingly:

- the mere existence of a “war exclusion” does not automatically defeat a claim.

The key question is whether:

- the loss arose directly from an excluded risk; or
- from a related but distinct cause (e.g. logistical disruption, indirect damage, or overlapping risks).

The analysis therefore focuses on:

- the precise wording of the policy; and
- the proximate cause of the loss.

Practical Guidance for Businesses

1. Review Insurance Programmes Proactively

Do not wait for a loss to occur. Conduct a comprehensive review of all policies currently in force.

2. Ensure Timely Premium Payments

Confirm that premiums are paid in accordance with policy terms to avoid suspension of coverage.

3. Notify Material Changes in Risk

Identify and disclose any operational changes that may affect the risk profile.

4. Issue Early Notifications of Potential Claims

Notify insurers promptly of any event that may give rise to liability, even where coverage is uncertain.

5. Maintain Documentation

Preserve evidence relating to:

- the cause of loss;
- operational changes;
- mitigation measures; and
- communications with insurers and brokers.



6. Analyse Policy Wording Carefully

Assess coverage and exclusions based on:

- the specific terms of the policy; and
- the factual circumstances of the loss.

Key Takeaway

War and regional instability do not only affect whether insurance coverage exists. They also affect how that coverage is preserved.

Failure to comply with:

- disclosure obligations;
- notification requirements; or
- premium payment terms

may weaken or compromise an otherwise valid claim.

Effective risk management requires treating insurance as an integral part of crisis response, not as a secondary consideration.



Employee Departure Without Notice in Times of War: Termination, Notice Obligations, and Unlawful Absence Under Qatari Law

Overview

In periods of war or regional instability, workforce mobility may be significantly affected. Employees may:

- leave the country unexpectedly due to security or family concerns;
- delay returning from leave; or
- become temporarily unreachable due to travel or communication disruptions.
-

For employers, these situations raise immediate operational challenges and legal questions, in particular:

Can an employee rely on wartime conditions to leave employment without notice, or does the obligation to provide notice remain enforceable?

Under Qatari law, the answer requires a structured legal analysis. The existence of war or regional instability does not, in itself, determine the outcome.

The Legal Framework: Termination and Notice Requirements

1. Termination During Probation (Article 39)

Where the employee remains within the probation period, Article 39 of the Labour Law (as amended by Decree-Law No. 18 of 2020) applies.

The provision distinguishes between:

- termination to join another employer; and
- termination to leave the country.

Where the employee intends to leave the country:

- written notice must be given in accordance with the agreed notice period (not exceeding two months). Failure to comply may result in: compensation equal to the employee's basic salary for the notice period (or remaining portion); and restrictions on obtaining a future work permit for a specified period.

2. Termination After Probation (Article 49)

Where the employee has completed probation, Article 49 applies.

Under this provision:

- either party may terminate the contract without cause;
- provided that written notice is given.

The applicable notice periods are:

- one month (for the first two years of service); and
- two months thereafter.

As with Article 39:

- failure to observe the notice period may result in compensation; and
- expatriate employees leaving without compliance may face restrictions on future employment.



Does War Excuse the Obligation to Give Notice?

As a matter of principle, Qatari law does not provide a general exception relieving employees from notice obligations due to war or regional instability.

The legal position is therefore clear:

- an employee is not entitled to depart without notice solely on the basis of general conditions in the region.

However, the analysis is fact-specific. The key question is whether: the circumstances objectively prevented the employee from giving notice or returning to work.

Where communication remained possible; and notice could reasonably have been given, the obligation to comply with Articles 39 or 49 remains in force.

From Breach of Notice to Unlawful Absence

A distinction must be drawn between:

- failure to give notice; and
- unlawful absence from work.

1. Breach of Notice Requirements

Failure to provide notice:

- constitutes a breach of the termination provisions;
- and may give rise to compensation.

However, it does not automatically justify summary dismissal.

2. Unlawful Absence (Article 61)

Article 61 addresses absence without legitimate cause.

An employee may be dismissed without notice and without end-of-service gratuity where:

- absence exceeds 7 consecutive days; or
- 15 intermittent days within one year;
- without a legitimate reason.

This introduces a second, separate legal assessment: whether the absence is justified in the circumstances.

Assessing “Legitimate Reason” in Wartime

War and regional instability may be highly relevant in determining whether an absence is justified.

Examples that may support a legitimate reason include:

- cancellation of flights or closure of routes;
- travel restrictions or entry limitations;
- genuine security concerns; or
- serious family emergencies linked to the situation.

However:

- the existence of war alone is not sufficient;
- the employee must demonstrate a direct and specific impact.

Equally important is the employee’s conduct:

- maintaining communication with the employer;
- attempting to provide notice; and
- demonstrating efforts to regularise their position.

Where an employee: leaves without notice; fails to communicate; and relies only on general regional conditions, the legal consequences of breach and potential unlawful absence may still arise.

Procedural and Employer Considerations

Employers should approach such situations in a structured and compliant manner.

1. Identify the Applicable Legal Framework

Determine whether:

- Article 39 (probation); or
- Article 49 (post-probation) applies.

2. Verify Notice Compliance

Confirm whether:

- written notice was given; and
- contractual and statutory requirements were met.

3. Assess the Reason for Absence

Evaluate:

- whether there was a genuine obstacle to communication or return; and
- whether the absence may constitute a legitimate reason under Article 61.

4. Follow Proper Procedures

Ensure:

- disciplinary measures are documented and notified in writing;
- communication is sent to the employee's recorded address (including registered correspondence where required); and
- internal records are maintained.

5. Manage Final Settlement Obligations

Under Article 67: employee entitlements must be settled promptly; and, in certain cases, within specific statutory timeframes.

Practical Guidance for Employers

1. Avoid Automatic Classification

Do not assume that every departure during wartime constitutes unlawful absence.

2. Apply a Sequential Analysis

Assess:

1. whether notice was given;
2. whether termination was lawful; and
3. whether absence became unlawful.

3. Maintain Evidence

Retain records of:

- communications;
- attendance;
- travel constraints; and
- internal decision-making.

4. Engage Proactively Where Possible

Where communication is available:

- seek clarification from the employee;
- document all interactions; and
- consider interim arrangements where appropriate.



Key Takeaway

Under Qatari law, war does not automatically excuse an employee from giving notice; or justify absence from work.

The legal outcome depends on:

- compliance with termination provisions;
- the existence of a legitimate reason for absence; and
- the factual circumstances of each case.

A structured and compliant approach is essential to maintaining a defensible legal position.



How We Can Support You

In the current environment, managing legal risk requires a coordinated and proactive approach across contracts, operations, workforce, and insurance.

Our team provides integrated support across all key areas, including: Contractual Risk and Force Majeure Analysis

- Reviewing commercial, construction, and service contracts to assess exposure and available remedies
- Advising on the application of force majeure and exceptional circumstances under Qatari law
- Supporting decisions on suspension, renegotiation, or termination

Construction and Project Advisory

- Advising on EPC and FIDIC-based contracts, including entitlement to extensions of time (EOT) and relief from delay damages
- Supporting claims strategy, variation management, and project continuity planning
- Aligning upstream and downstream contractual positions across project structures

Insurance and Risk Management

- Reviewing insurance programmes, coverage scope, and exclusions
- Advising on disclosure, notification, and compliance obligations
- Supporting claims preparation, insurer engagement, and coverage disputes

Employment and Workforce Advisory

- Advising on employee departures, notice obligations, and unlawful absence
- Supporting disciplinary processes and compliance with Labour Law requirements
- Assisting with workforce risk management in times of disruption

Notice, Compliance, and Contract Administration

- Preparing legally robust notices in accordance with contractual and statutory requirements
- Ensuring compliance with procedural obligations, including mitigation and documentation
- Advising on evidentiary strategy to support claims or defend positions

Dispute Resolution and Strategic Advisory

- Representing clients in disputes, including litigation, arbitration, and alternative dispute resolution
- Providing strategic advice to mitigate exposure and preserve commercial relationships
- Supporting crisis management and decision-making at both operational and board level



Key Team Members



Mubarak Al Sulaiti

Founder & Chairman

☎ +974 4466 4066
✉ m.sulaiti@slf-qa.com



Hossam Tantawy

Managing Director - Senior Legal Counsel

☎ +974 4466 4066
✉ g.manager@slf-qa.com



Atef Abdulfattah

Head of Litigation Department - Senior Legal Counsel

☎ +974 4466 4066
✉ a.abdulfattah@slf-qa.com



Mohammed Saleh

Head of Criminal Litigation - Senior Legal Counsel

☎ +974 4466 4066
✉ m.saleh@slf-qa.com



Amr Hossam El Din

Head of Arbitration Department - Senior Legal Counsel

☎ +974 4466 4066
✉ a.hosam@slf-qa.com





Abdallah Moselhy

Senior Legal Counsel

+974 4466 4066
a.almsselhei@slf-qa.com



Sylvana Matar

Legal Counsel

+974 4466 4066
s.matar@slf-qa.com



Olla Eldirdiri

Director of Legal Business Development

+974 4466 4066
o.eldirdiri@slf-qa.com

Contact Us

If your business is affected by current disruptions or you are considering invoking force majeure or adjusting contractual obligations, we recommend seeking legal advice before taking any action.

Please contact your usual point of contact at the firm or reach out to our Legal Business Development team, who will ensure you are directed to the appropriate specialist within our firm to discuss your situation in confidence.





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