



\$10.7 billion investments in the  
Sino-Omani Industrial City





**On the occasion of the blessed Renaissance**

**SEZAD** presents its sincere congratulations to

**His Majesty Sultan Qaboos bin Said**

- may Allah protect him -

We supplicate to God Almighty to perpetuate for His Majesty health and wellness. We also congratulate the people of Oman on this precious occasion and renew our covenant and loyalty to continue giving and construction for the pride of all the people of our precious homeland.

**23  
July**

**Renaissance Day**

**الدقم**

هيئة المنطقة الاقتصادية الخاصة  
Special Economic Zone Authority

Sultanate of Oman

سلطنة عُمان

# Economic Partnerships

The issuance of the fifth issue of Duqm Economist coincides with the Sultanate's celebrations of the forty-sixth anniversary of modern renaissance led by His Majesty Sultan Qaboos bin Said - may Allah protect him- on 23 July 1970, a glorious day in the history of Oman. While we express our joy of this precious occasion, we renew our covenant and loyalty to His Majesty the Sultan to move with the wise leadership of His Majesty.

Perhaps it is fitting to refer to the achievements of SEZD in terms of growth over the past few years and the local and international attention it has received. The second quarter of this year has seen many efforts that emphasize the Sultanate's ability to attract various investments and create the right environment for their growth. In this context, SEZAD signed the cooperation, usufruct, and development agreement with the Chinese side for the construction of the Sino-Omani Industrial City in Duqm on an area of 1,172 hectares and with an investment of about USD 10.7 billion.

This agreement reflects the economic partnership between the Sultanate and the Republic of China. It is also another stage of historical cooperation between the two countries. While we welcome the Chinese investment in Duqm, it is our hope that the new investments contribute to the realization of the vision of the Sultanate towards economic diversification especially that the projects that the Chinese side intends to set up in Duqm are about 35, which would activate many economic sectors in SEZD.

Moreover, the second quarter of this year witnessed the signing of a land usufruct agreement to build a car assembly plant in joint investment between the Sultanate, represented by Oman Investment Fund, and the State of Qatar, represented Karwa Automotive Company. The investments of both sides in the project are about OMR 160 million. This agreement, which comes in the framework of economic cooperation between the Sultanate and Qatar, confirms that the investment environment in SEZD is able to embrace a variety of projects from different countries of the world.

While SEZAD is keen to attract foreign investment, it also welcomes local investors. It is perhaps appropriate here to welcome Al-Khanji Real Estate Development Company "Aqar" that gained land usufruct for the construction of a tourism project of about OMR 390 million. This multi-stage project would include hotels, residential and commercial compounds, and a recreational park.

In addition, the second quarter of this year witnessed signing the usufruct agreement for the construction of an integrated center for logistics for Truk Oman Company and a Memorandum of Understanding with Oman Arab Bank to facilitate investors' obtainment of funding.

While we welcome the investors and new investments from Oman, Qatar, and China, we affirm SEZAD keenness to overcome any obstacles for investors and provide ways to the success of their investments. SEZAD also emphasizes that it is moving forward to forge local, regional, and global economic partnerships aimed at maximizing the economic gains for SEZD and all investors therein.



Yahya Bin Said Al Jabri  
General Supervisor



**While we welcome the Chinese investment in Duqm, it is our hope that the new investments contribute to the realization of the vision of the Sultanate towards economic diversification**



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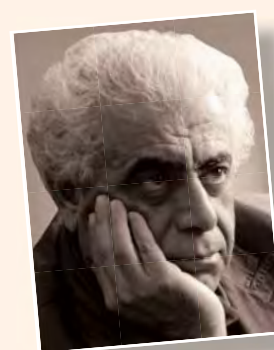
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His Excellency Dr. Mohammed bin Hamad Al-Rumhy, Minister of Oil and Gas

# Ras Markaz Terminal translates the Royal directives to establish a strategic oil reserve in Oman



Photo at project site of oil storage terminal in Ras Markaz

**State budget will not be burdened for funding of the project, which will be one of the largest oil storage sites.**

**International companies have evinced interest in the use of Ras Markaz for oil storage**

Duqm -  :

His Excellency Dr. Mohammed bin Hamad Al-Rumhy, Minister of Oil and Gas and Chairperson of Oman Oil Company, announced that the construction of oil storage terminal in Ras Markaz is being made following the directives from His Majesty Sultan Qaboos bin Said - may God protect him – on the need to establish a strategic oil reserve in the country.

HE Al-Rumhy said during a visit to Ras Markaz that after the issuance of Royal directives, the Ministry of Oil and Gas, in co-operation with Oman Oil Company (OOC), studied several sites for oil storage and found that Ras Markaz was the suitable site that could help achieve the strategic and economic objectives of oil storage project.

Ras Markaz terminal is located about 70 km from Duqm. It was annexed to the Special Economic Zone in Duqm according to Royal Decree (5/2016) issued on January

28, 2016. Oman Tank Terminal Company (OTTOC), a subsidiary of OOC, will execute the project.

HE Al-Rumhy stressed that there is positive response from international companies in the use of Ras Markaz as a hub for oil storage.

## Project Financing

On the plan of OOC to finance the project in light of falling oil prices, HE Al-Rumhy said the bearish oil prices are a major challenge, but “OOC will not rely on the State budget in the financing of the project. This project needs global financing in a traditional way by bank loans.”

“We do not rely on the State budget to finance this project or Duqm Refinery. The plan of OOC is to finance its projects by borrowing from banks and international banking institutions,” said the Minister.

“The first phase of the project will need between USD 300 million and USD 400



Oil & Gas Minister listens to a briefing on components of oil storage plant





Oil Minister listens to an explanation of the project of petroleum warehouses

million for the construction of infrastructure, OOC will continue to develop the project and increase the number of tanks, at par with the level of demand in the oil storage market. Our ambition for Ras Markaz to be one of the largest oil storage hubs worldwide," elaborated Al-Rumhi.

### Economic Collection Hub

Engineer Essam bin Saud Al-Zadjali, CEO of OOC stated that their goal would be to "make Ras Markaz as a global site for the storage of oil and its derivatives. In the first

phase, the terminal will serve Duqm Refinery and will provide its oil from Oman and other parts of the world."

"The first phase of the terminal will start with a capacity of between 6 and 10 million barrels, but could be expanded in the future to store larger quantities of up to 200 million barrels," added Al-Zadjali.

His Excellency Dr. Mohammed bin Hamad Al-Rumhy and members of OOC Board visited Duqm Refinery, petroleum reservoirs project, project of Central Facilities Company, in addition to Duqm Port and Dry Dock.

**The goal is to establish a global center for oil storage in Duqm**



During the visit of the Dry Dock

**Starting capacity will be between 6 and 10 million barrels**





# 10 billion

in investments in the  
Sino-Oman Industrial City





Yahya Al-Jabri and Wang Yong unveil the memorial plaque of the city

#### Muscat - :

The Sultanate and China announced the establishment of the Sino-Oman Industrial City in Duqm with an investment of approximately US\$ 10.7 billion. Agreements to this effect were signed during a visit to Oman by HE Wang Yong, State Councilor of the People's Republic of China on 22 and 23 May 2016.

Yahya bin Said bin Abdullah Al-Jabri, Chairman of the Special Economic Zone Authority in Duqm (SEZAD) signed the cooperation and usufruct agreements for the development the Sino-Omani industrial city in Duqm. Ali Shah, Chairman of Oman Wan Fang LLC, which is the major investor in the project, signed the agreement on behalf of the Chinese side.

The signing ceremony was attended by HE Wang Yong, State Councilor of the People's Republic of China, H.E. Dr. Ahmed bin Mohammed Al-Futaisi, Minister of Transport and Communications, H.E. Sayyid Badr bin

Hamad bin Homoud Al-Busaidi, Secretary General of the Ministry of Foreign Affairs, and HE Liu Kiwi, vice-president of China's Ningxia Province. This is in addition to a number of officials from the Sultanate and the People's Republic of China.


#### Industrial Projects and Oil Refinery

The Sino-Oman industrial city in Duqm will be on a total area of 1,172 hectares ( 11.7 square kilometers) divided into three main categories.

The first area of about 870 hectares will be indivisible and allocated to heavy industries and areas of medium, light, and mixed use. Wanfang would allocate this land under sub-usufruct conventions to other Chinese investors and companies. Wanfang will be responsible for operation and maintenance of infrastructure on site unless applicable systems in the Sultanate require otherwise.

The two sides agreed on the minimum development requirements undertaken by Oman

  
**The City is being built on an area of 1172 hectares**

  
**Construction of oil refinery with a capacity of 230,000 barrels per day**

  
**Construction of housing facilities to accommodate 25,000 people**



One of the projects to be constructed in the heavy industries zone





During signing the usufruct agreement

**Chinese company shall develop 30 per cent of divisible land within 5 years**

**Allocation of 870 hectares for heavy, medium, and light industries**

Wanfang and implementation phases, which will include development of infrastructure facilities and the establishment of a number of end-user projects. Oman Wanfang shall also assume the role of the owner or director of the site toward the end-user and tenants of divisible plots.

The second category will be on an area of about indivisible 10 hectares allocated to the implementation of a tourism project.

The third category will be on an area of 292 hectares allocated for the establishment of an oil refinery and petrochemical industries complex. The production capacity of the refinery will be about 230 thousand barrels per day.

The agreement signed between SEZAD and Oman Wanfang states that the commitment of the company in this context is not limited to the development of the land, but extends to the construction of oil refinery subject to receipt of necessary permits and approvals by the competent authorities in the Sultanate.

Oman Wanfang shall also be responsible for reaching agreements with the Rural Areas Electricity Company, Marafiq Company, and Duqm Port Company on its needs of infrastructure facilities built away from the site and utility connections. These shall include, but not limited to electricity, cooling water, access to the utility corridors and port facilities in respect of the supply of gas, crude oil, refined products and the refinery.

### Investment and implementation phases

The total investment pumped to the construction of the China-Omani industrial park in Duqm until 2022 will be about US\$ 10 billion.

The agreement stipulates that Oman Wanfang shall develop at least (30%) of the divisible land within (5) years. It also states the need to embark on the construction of the projects on indivisible land (tourism compound) within two years from signing the agreement and that the completion date of the project would be within (4) years from signing of the agreement or return land to SEZAD.

As for the oil refinery, if the company does not obtain the necessary permits and approvals, it shall nevertheless develop the site allocated for the construction of the petrochemical complex.

Oman Wanfang asked for permission to build housing facilities to accommodate nearly 25 thousand people supposed to live and work in SEZD, whereas the total required number of employees would be about (11,400) employees until 2022 excluding construction workforce.

### Thirty-five projects

The number of projects implemented in the China-Oman industrial park will be about 35 projects: 12 projects in the field of heavy industries including the production of commercial concrete, building materials and related industries, production of glazed glass, methanol and other chemicals.

Add to this processing of steel smelting, aluminum production, production of vehicle tires, building materials for protection against water and corrosion, extracting magnesium from seawater, chemical-aromatic projects and others.

In the light industrial zone, there will be 12 projects: production of 1 GW of solar power units, 1 GW of batteries, equipment of (10) thousand private SUVs, production of oil and gas tools, pipelines, and drilling, production of half a million tons of colorful panels, assembling bicycles, garment production, production of games, as well as a variety of other projects.

There will be also eight projects in mixed-use areas, including: a training center, a school, a hospital, offices, and a sports center. The tourism zone shall have a 5-star hotel.

This is in addition to the oil refinery and petrochemical projects.

### Promotion of Investment Opportunities

The visit program of HE Wang Yong to the Sultanate included a number of official meetings, most notably the reception by HE





Sayyid Fahd  
receives Wang Yong

**Oman  
and China  
discuss  
economic  
coopera-  
tion and  
activating  
the agree-  
ments  
signed**

Sayyid Fahd bin Mahmoud Al-Said, Deputy Prime Minister for Cabinet Affairs. Al-Said praised the close relationships between the two friendly countries based on the historical ties that bind them and the remarkable development of their cooperation reflecting the keenness of both sides to work for the benefit of the two peoples.

For his part, the Chinese guest highlighted his country's policies that focus on internal economic construction while opening external areas of investment. He expressed his happiness of his visit to the Sultanate because of its positive effects in making the relations closer and an opportunity to exchange views on many issues. He praised the global prestige enjoyed by Oman due to its wise leadership and constructive role in regional and international issues.

HE Wang Yong reiterated the importance of the talks conducted with officials in Oman due to its positive impact on the level of cooperation between the two sides.

The two parties discussed means for promoting investment, trade, and economic exchange opportunities and ways of activat-

ing the agreements signed between the two countries as well as granting the usufruct for the development of the Sino-Omani industrial city in Duqm, which is a quantum leap for cooperation that would contribute to the support of transport and trade movement.

HE Wang Yong also held meetings with H.E. Sayyid Badr bin Hamad bin Homoud Al-Busaidi, Secretary General of the Ministry of Foreign Affairs, HE Dr. Ahmed bin Mohammed Al-Futaisi, Minister of Transport and Communications, and HE Yahya bin Said Al-Jabri, Chairperson of SEZAD.

They discussed the means to strengthen political and economic cooperation relations between the Sultanate and the Republic of China People and development of cooperation mechanisms to activate the Silk Road and the construction of this belt due to the Chinese government trend to activate it again noting that Oman is historically part of this road and this ambitious project.

HE Wang Yong visited the Royal Opera House Muscat and listened to a summary thereon, its facilities, and the nature of the shows there.

**Establish-  
ment of 35  
projects  
and pro-  
vision of  
12,000 jobs  
until 2022**



**Heavy industries zone  
in the Sino-Oman  
Industrial City in Duqm**



## Tourism project within the city



*Construction of tourist complex within two years from the date of signing the agreement*



*Establishment of 35 projects and provision of 12 thousand jobs until 2022*



*The allocation of 10 hectares for a tourism project*



5-star hotel to be built in Duqm



# Yahya Al-Jabri: We welcome Chinese invest- ments in Duqm



Muscat -  :

His Excellence Yahya bin Said bin Abdullah Al-Jabri, Chairman of SEZAD, is satisfied with the signing of cooperation and usufruct agreements for the development of the Sino-Oman industrial city in Duqm. He expects that the new city will contribute to SEZD growth and will be a development engine therein.

During the signing ceremony, HE Al-Jabri indicated that the establishment of the Sino-Omani industrial city in Duqm reflects the position reached by the Sultanate and its ability to attract various investments. It will also help in the creation of a favourable investment environment in the country. "The global interest that we receive under the patronage of His Majesty Sultan Qaboos bin Said - may God protect him - is the reflection of his permanent efforts to make the Sultanate an oasis for local and international investments.

## Sino-Oman Cooperation Program

HE Al-Jabri praised the historical, political, and commercial relations between the Sultanate and the Republic of China that date back to many centuries. He indicated that the Sultanate is seeking in the reign of modern renaissance to translate these relations both politically and economically for the benefit of the peoples of

the two countries.


"The Sino-Oman cooperation program has taken significant strides in strengthening the bonds of cooperation between the two countries in economic, commercial, and cultural fields supported by the political leadership in both the Sultanate and the Republic of China. There have been many mutual visits by officials and businesspersons in the two countries, continuous coordination within the framework of the joint Omani Chinese Committee on Economic and Commercial Affairs, growth of the movement of trade exchange between the two countries and increased size and number of China's direct investment in the Sultanate," added Al-Jabri.

## Common Historical and Civilizational Heritage

While highlighting the cooperation between the two countries in various fields, HE Al-Jabri noted that the Sultanate and China rely on a common historical and civilizational heritage that grew through the maritime Silk Road, which connects Southeast Asia and Southeast coasts of the Arabian Peninsula to Europe and the Horn of Africa.

"This common heritage resulted in the active participation of the Sultanate in the establishment of the Asian Development Bank

  
**Agreement sets a framework for the implementation of an extensive Chinese investment program in Duqm**

  
**Agreement reflects the status of the Sultanate internationally and its ability to attract various investments**

  
**Signing a free trade agreement between China and GCC this year**



A number of Chinese investors during the signing ceremony of the usufruct and development agreement

**The company shall establish the infrastructure for these projects estimated at US\$ 370 million**

**Establishment and operation of a training center, school, hospital, and a sports and recreation center**

**Expect handling of twenty two million tonnes of goods annually in the new city**



Chinese investors during their visit to Duqm Port

and supporting the efforts to sign a free trade agreement between China and the GCC, hopefully scheduled this year," he said.

### Extensive Investment Program in Duqm

HE Al-Jabri pointed out that the signing of the cooperation and usufruct agreements is the culmination of strenuous efforts over a year that began with an official visit of a delegation of Omani government and private sector representatives to Yinchuan, the beautiful capital of Ningxia Province, in May 2015. He considered signing the agreement as establishing a contractual framework to implement an extensive Chinese multi-sector investment program in Duqm.

### Variety of Projects

The duration of the agreement with Wan Fang Company is 50 years. It stipulates that the company develops an area of 1,172 hectares of SEZD land and provides infrastructure services in and outside the development sites to connect them to the connection points. This includes road networks, electricity, water, and rainfall drainage channels. The company shall also provide facilities for waste collection and treatment of wastewater.

The development sites shall be in different regions and include oil-refining, petrochemicals, heavy, medium and light industries, and logistics warehousing. The company shall establish the infrastructure for these projects estimated at US\$ 370 million while SEZAD would provide the necessary support and facilities and coordinate with the relevant public utilities companies. Then, the Chinese company will attract and localize the various productive projects to these sites in the form of investments by Chinese state and private sector companies.

These investments will include cement and concrete industries, construction materials, methanol, insulation materials, resins, printing materials, glass, tires, steel, aluminum, magnesium, generating electricity from solar energy, assembly of vehicles, bicycles, and in-

dustrial cranes, oils and aromatic substances, tubes and drilling equipment, clothes, toys, and food industries. This is in addition to multiple activities in the field of transport, storage, distribution, and retail.

### Multiple Facilities

HE Al-Jabri stated that Wan Fang Company L.L.C will Wan Fang itself or through a subsidiary establish and operate a training center, school, hospital, workers' accommodation, housing complex, mall, sports and recreation center and five-star hotel.

SEZAD Chairperson predicted that the total volume of investment in the productive projects would be about USD 10.7 billion and the volume of cargo handling for import and export through Duqm Port resulting from these projects would be about 22 million tons per year.

He indicated that the number of direct jobs provided will be approximately 12,000 permanent jobs, stressing at the same time that there is a commitment by both parties to respect the laws and regulations in force in SEZD and adherence to the requirements of public safety and the protection of health and the environment in place. They also agreed to implement programs of social responsibility for the benefit of the local populace.

### Significant Addition

HE Al-Jabri stressed that the Chinese investments in Duqm are a great addition to the current investments in SEZD. He said that SEZAD is keen to diversify investments in SEZD and that the efforts made during the past years led to the attraction of investments from the GCC, Asia, and Europe.


He added that SEZAD looks forward that this diversity would contribute to finding Omani experiences in many areas related to ports, petrochemical industries, fisheries, tourism, trade, and others.

He also stressed that SEZAD would make every effort to overcome any challenges facing the company's business.





## Badr bin Hamad Al-Busaidi: Political and diplomatic role of Oman strengthens its position as a logistics hub

Muscat - :

HE Sayyid Badr bin Hamad bin Homoud Al-Busaidi, Secretary General of the Foreign Ministry, stressed on the economic importance of Duqm and the projects executed in many sectors during the signing of usufruct development agreement between SEZAD and Wan Fang Company L.L.C. He hoped that SEZD would be an economic tributary to achieve many of the economic gains of the Sultanate.

"We hope that the Chinese initiative to establish the Sino-Omani industrial city in Duqm would lead to a significant influx of investments in Chinese cutting-edge industries to achieve greater diversity and mutual benefits", HE Al-Busaidi said.

### Historical Ties

HE Al-Busaidi was all praise for the deep relations between the Sultanate and China dating back to thousands of years. He stressed that these ties are currently experiencing a new boom and a significant development in order to promote greater and deeper economic, cultural, and tourism cooperation in the transport and communications and advanced industries. He pointed out that with the commencement of the economic project of the Silk Road, the Sultanate of Oman is looking to contribute to the revival of this ancient road and open up new areas of cooperation and partnership.

### Economic Tributary

The Duqm Port and SEZD constitute an important link in the chain of Omani ports that

connect the Arabian Peninsula with the markets in Africa, Indian subcontinent, Iran, and Central Asia and an economic tributary we hope its benefits would reflect positively on everyone.

HE Al-Busaidi stressed that the role of the Sultanate in achieving regional stability and security through its sophisticated political and diplomatic relations with all partners and actors in the world and with our Chinese friends. He indicated that this would enhance the position of the Sultanate as an important logistics hub, a major transport axis, and a vital gateway to the Gulf, shipping lanes, and transport lines in the region.

### Exchange of Knowledge and Development of Cooperation

In his speech, he referred to the pursuit of the Sultanate to employing modern technologies in the service of national economy. He said that we in the Sultanate always strive in our discussions to the exchange of knowledge and develop cooperation in the fields of science, technology, green energy, and new technologies that help enhance local added value, develop human resources, and provide renewable and sustainable opportunities for work, stressing his confidence that the Chinese side shares these trends with the Sultanate.

"We are confident that our friends in the People's Republic of China share the same directions and objectives, as we have seen in the meetings that took place between the Omani and Chinese sides during the visit of H.E. Wang Yung, Chinese State Councilor, to the Sultanate", HE Al-Busaidi said.

*We look forward to an influx of investments and advanced Chinese industries into the country*

*Oman is looking to contribute to the revival of the Silk Road and open up new horizon of cooperation and partnership*



One of the meetings, which discussed economic and political cooperation between the Sultanate and China




# Liu Kiwi: Committed to creating the Sino-Oman Industrial City in Duqm



**Omanis are welcome to visit Ningxia Province and explore new opportunities for cooperation**

**The city is a new symbol of friendship and cooperation between the two countries**

Muscat -  :

Ningxia Province will assume its responsibilities to establish the Sino-Oman industrial city in Duqm and speed up the implementation of the project, said His Excellency Liu Kiwi, Vice President of China's Ningxia Province.

He is confident that the Omani side would create favorable conditions for its development and that the industrial city would become a new platform for development and cooperation between the private sectors in both countries, and a new belt for the friendly cooperation between the two friendly peoples.

In his statement during the signing of the cooperation and usufruct agreements for the development of the Sino-Omani industrial city in Duqm, Kiwi opined that this city would be a new symbol of friendship and cooperation between the two countries. He added that the city has a great support and the utmost attention by the governments of Oman and China and the positive response from the Chinese businesspersons.

## Strong Historical Ties

HE Liu Kiwi commended the friendly historic ties between the Sultanate and China that have roots to ancient time. He said that the Silk Road linked the two countries, adding that 600 years ago, the Chinese Muslim admiral, Zheng He, came to Dhofar Governorate 5 times. On the other hand, Oman is one of the oldest countries in the Middle East whose people reached China hundreds of years ago.

Kiwi expressed his satisfaction and pleasure that the trade and economic relations between the two countries have developed rapidly in recent years making Oman the

fourth Arab economic partner of China with the exports and imports between the two countries worth US\$ 17.2 billion.

## "Belt and Road" Initiative

HE Liu Kiwi stressed on the importance of the «belt and road» initiative put forward by the Chinese President in 2013 in a speech at the Arab League in January during his visit to the Middle East while referring to the cooperation between China and Arab countries.

"This initiative revived the hopes to regain the strength and importance of the Silk Road and the countries it joins economically and culturally", he said.

HE Liu Kiwi explained that the Ningxia Province is the China-Arab Cooperation Bridge. It is on the belt of the economic Silk Road. It also hosted three sessions of the Arab-China Economy and Trade Forum between and two sessions of China-Arab Exhibition. It has also contributed to strengthening mutual understanding and cooperation between the Chinese and the people of the Arab people, helping to speed implementation of the belt and road initiative.

## Optimism

He hoped that cooperation and friendship relations between the Sultanate and China would increase referring in this regard to the passage of 38 years since the establishment of diplomatic relations between the People's Republic of China and the Sultanate of Oman. This lent another dimension to the signing of the Sino-Omani industrial city agreement in Duqm.

HE Liu Kiwi also invited Omani businesspeople and citizens to visit Ningxia Province and familiarize themselves with it to explore new opportunities for cooperation.

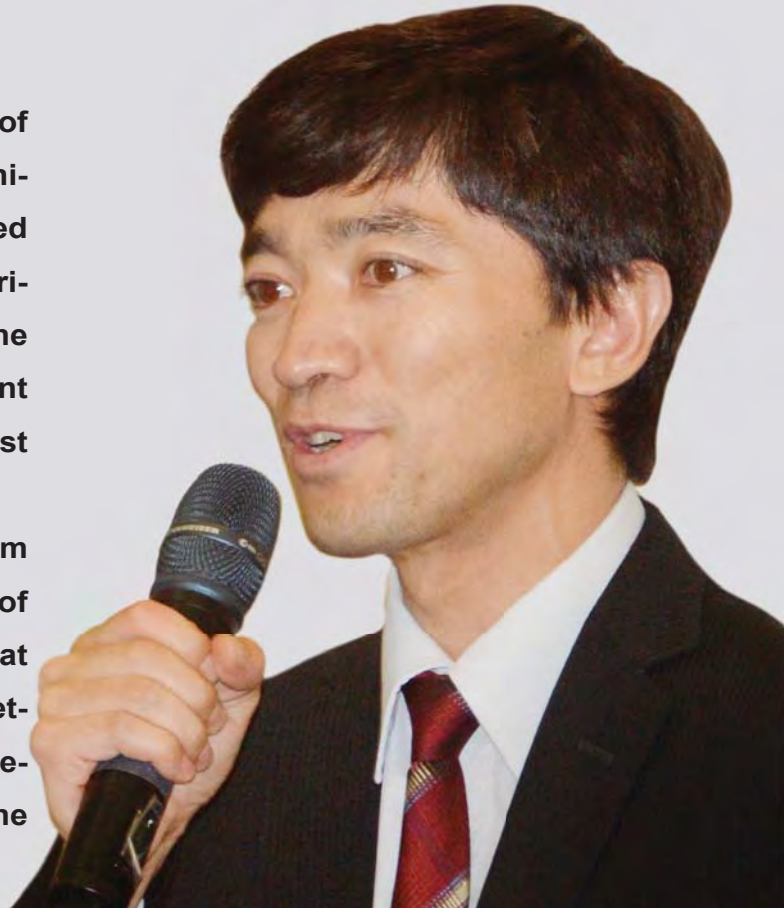


# Chairperson of Wan Fang Oman Company Establishment of the industrial city Duqm gives us access to many markets in Asia, Africa, and Europe

Interviewed by Saleh Al-Mamari

Wan Fang Oman LLC, the name of the company means “broad universe” in Chinese, was established by the contribution of six large private companies in China with the support of the Chinese government in order to enter the Middle East Market more broadly.

In an exclusive interview with Duqm Economist, Ali Shah, Chairperson of Wan Fang Oman LLC stresses that SEZD has comparative and competitive advantages that qualify it to become a successful economic zone in the Middle East.







The Chinese investors during their visit to the site of the light and medium industries zone

**Financing the construction of the city will be through the founders and Chinese banks**

**Duqm is eligible to become a successful city in the Middle East**

**The first three projects will be ready by the end of 2017**

The major priority for Wan Fang Oman LLC is to build residential and office project so that there will be buildings for light industries for small and medium business. A team of Duqm Ningxia Construction Company has been working in Duqm since mid-May. This team planned and began construction of the structural works that include the construction of roads and preparing the ground for the implementation of projects and various other infrastructure works.

"The first three projects will be ready by the end of 2017", Ali Shah told Duqm Economist.

#### Necessary Needs of Project

Shah said that there are vital needs that the Sino-Oman Industrial City should meet.

"There is no problem with the availability of oil, electricity, and water, but we are looking to provide some requirements for heavy industries, such as gas and petrochemicals, because they enter in many manufacturing

industries. Heavy industries require a lot of energy for the production of petrochemical derivatives, aromatics, methanol, and magnesium and we will provide that through the presence of a refinery in the SEZD. There are talks between us and the Ministry of Oil and Gas in this aspect," he said.

#### Financing Industrial City

"As for financing, I mentioned before that the company comprises of six large company supported by the Chinese government. The financing of the project will be from the Chinese banks financing for ensuring the construction of this commercial and industrial project in SEZD. The construction of heavy industry projects shall be through the financing of the investors themselves," asserted Shah.

#### Choice of Duqm

In response to a question on the reason



... During ODC visit





Chinese equipment shipped from China to the Sultanate for use in preparing of land

for choosing Duqm for the construction of the City, Ali Shah said, "Ningxia Province is the window of China to the Arab countries and the nearest place for us is the Sultanate of Oman. This choice came after we decided to expand our business in the Sultanate and pursuant to a study of investments in the Arab countries. We visited several Arab countries, such as Egypt, Jordan, Morocco, Saudi Arabia, Bahrain, United Arab Emirates, and Oman. We then decided to establish an industrial Chinese city in Duqm for its strategic location overlooking the Arabian Sea and sensitive and promising economic areas, such as the Strait of Hormuz to the north and Bab al-Mandab to the south, which are trade gateways that provide access to several states. Through Duqm, we can have an easy access to many markets in the region. We can ship and distribute products to the GCC countries, South Asia, East Africa, Pakistan, and Iran and export goods to Europe."

### Competitive advantages in of SEZD

Ali Shah said that the Sultanate is interested in developing SEZD. "It has developed procedures to facilitate business there. It also invested in a large development and service projects in SEZD. The Chinese and Omani sides agreed on this large project due to the efforts of SEZAD. This agreement, which saw reciprocal visits since the end of 2014 and the visit of H.E. Yahya bin said Al-Jabri, SEZAD Chairperson, in mid-2015 to China. The two sides signed a memorandum of trade exchange with the Government of Ningxia. After the signing of the memorandum, this agreement came to identify the procedures, facilities,

tax exemptions, and the needs and details of the project. The procedures, facilities, and exemptions are very good and stimulating. The company shall develop (30%) of the divisible land within (5) years."

### City Components

"The city consists of three zones comprising a variety of projects. In the heavy industry, the company will establish an oil refinery and a plant for petrochemical industries, cement, and industries related to gas and urea. In the light and medium industrial zone, there will be assembly industries, e-commerce, halal foods, logistics industries, solar energy, automotive assembly and many other projects. In the tourism zone, the company shall build a 5-star hotel with investments amounting to about USD 150 million," stated Shah.

He added the company would also invest USD 100 million to build a 500-bed hospital that will provide medical care to the entire population in the surrounding area, regardless of their nationality. We will also build a school with an investment of USD 15 million for residents and workers, including Chinese, Omanis and foreigners," added Shah.

### Rapid Growth

Ali Shah expressed the hope that Duqm would achieve rapid growth over the next few years and said that the year 2022 is not far away. "There are many projects that will complete and there will be new foreign investments. Duqm is a promising city and the level of services is progressing. Growth will also include an increase in the number of residents and commercial traffic will depend on the population size," concluded Shah.

**Investment of USD100 million to build a hospital with 500 beds**

**Construction of a 5-star hotel of about USD150 million**



# China is the largest importer of Omani oil and a major trading partner of the Sultanate

**Sultanate's exports to China in 2014 amounted to OMR 8.8 billion**

Muscat -  :

During the years of modern renaissance, the Sultanate and China managed to strengthen their trade relations and increase the volume and value of exports and imports. During the past five years, the volume of trade between the two countries witnessed a remarkable growth. Official statistics indicate that the Sultanate's exports to China rose in 2014 to OMR 8.8 billion compared to OMR 3.5 billion in 2011.

The Omani oil exports increased the total value of Omani exports to China, which is the largest importer of Omani oil.

According to official statistics, Omani oil exports to China last year, amounting to 237 million barrels, accounted for approximately 76.9 per cent of the total oil exports of Oman amounting to 308 thousand barrels. Oman's oil exports to China last year grew by 12.8% from its level in 2014 of 210 thousand barrels.

## Non-Oil Exports

China has been the fourth trade part-

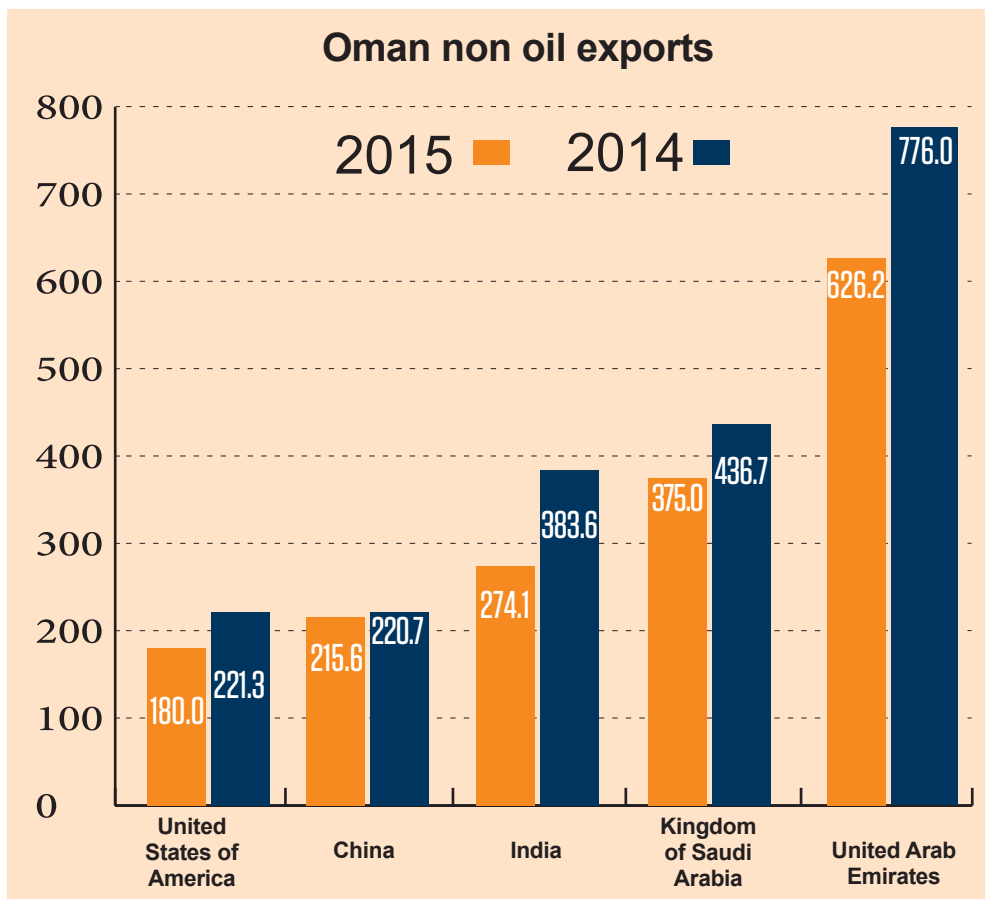
ner of the Sultanate in terms of Omani non-oil exports during the past year. Statistics from the April bulletin of the National Center for Statistics and Information indicate that Omani non-oil exports to China in 2015 amounted to OMR 215.6 million, i.e. 7.1 per cent of the total Omani non-oil exports during 2015 of OMR 3 billion.

## Re-Export

The re-export trade between the Sultanate and China last year grew by 17.1% to OMR 295.6 million compared to OMR 252.3 million in 2014. This was about 11.5% of the total re-export trade value last year of OMR 2.5 billion.

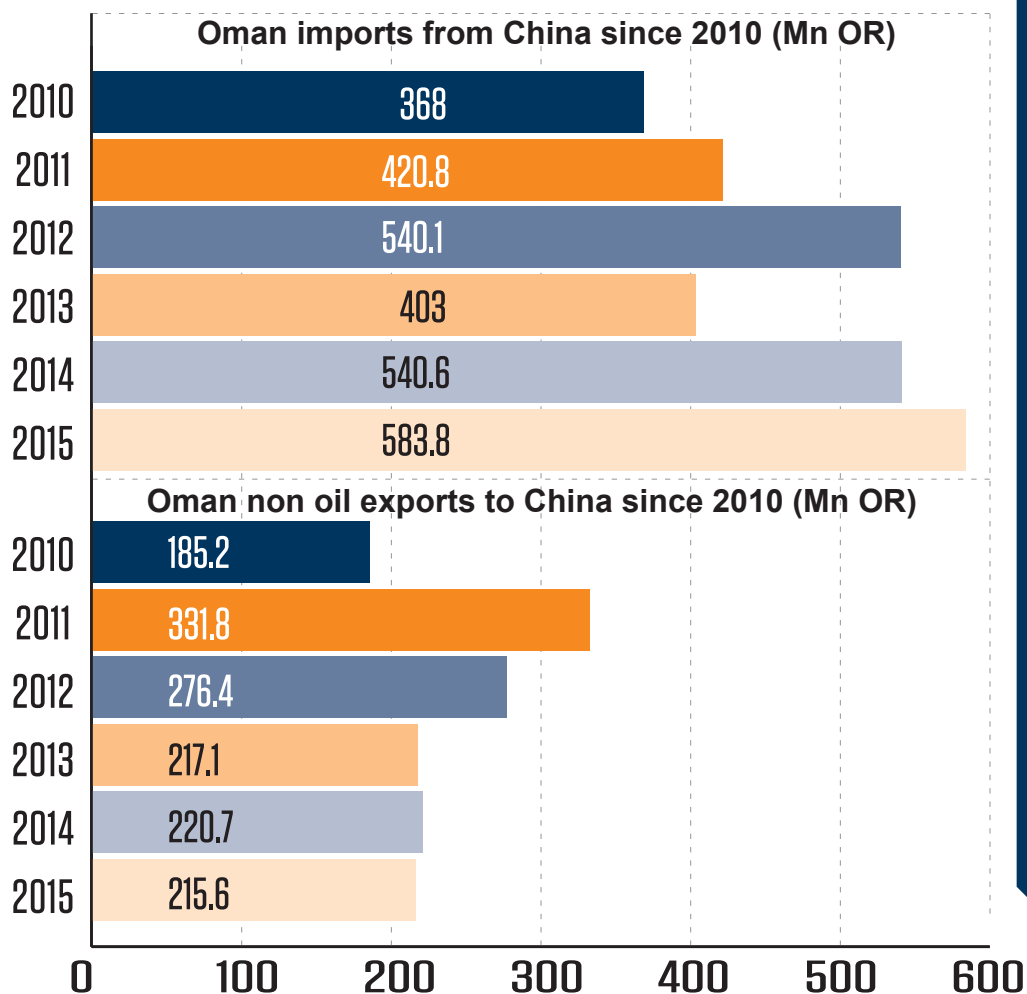
## Chinese Imports

Last year, the value of Chinese imports to the Sultanate rose to OMR 583.8 million compared to OMR 540.6 million in 2014 with a growth of almost 8 per cent.



Omani non-oil exports to China worth OMR 215.6 million

Sultanate's oil exports to China in 2015 were 237 million barrels



Chinese imports to the Sultanate stepped up last year to OMR 583.8 million



# Sino-Omani Industrial City to boost foreign investments

The Chinese initiative to invest in the Sultanate is a motivating factor to attract more foreign investments, strengthen national investor confidence, and create the required capital required to implementing the strategic projects identified in the Ninth Five-Year Development Plan

The Chinese investment projects have their presence in a large number of countries in Europe, Asia, Africa, and Latin America. From their side, the Chinese authorities always examine the elements of projects carried out and also evaluate their success before signing any agreement between the Chinese enterprises and any organisation in the world.

According to report by Mercator Chinese Studies Institute and Rhodium Group, the Chinese investments in the world exceed USD 100 billion annually and will triple globally from USD 6.4 trillion to USD 18 trillion by 2020. Moreover, the Chinese enterprises do not provide any investment in any country in the world unless it is made sure of the reliability of the State concerned and the provision of the means, requirements, and feasibility of investment.

As the Sultanate has growing economic and trade relations with the People's Republic of China, the Government of Oman is keen to enhance cooperation between the two countries. The Sultanate has engineering contracts with Chinese companies worth USD 800 million in 2015. Reports indicate that China's total volume of investments in the Sultanate reached USD 2 billion at the end of last year, while the value of trade exchange exceeded OMR 8.8 billion.

In this context, the signing of cooperation, usufruct, and development agreement for the establishment of the Sino-Omani industrial city in Duqm would contribute to strengthening cooperation between the two countries. This is one of the largest targeted projects to localize new productive industrial sectors with a high added value. It also aims to transfer expertise and knowledge to Omani human resources associated with these projects and we expect that China's move to invest in the Sultanate will be an incentive to other countries increasing foreign investments. This agreement also provides the Omani private sector with many opportunities for complementary projects of the industrial city.

The preliminary information published on the project shows that the total investment is estimated at USD10.7 billion. There are also many important numbers released after the signing of the agreement, including that the industrial city will have about 35 projects divided into three main zones. These will include an oil refinery, heavy, medium and light industries, a hotel at a cost of USD 150 million, and a hospital of USD 100 million.

The project will provide 12 thousand direct jobs. The Chinese side will establish a training center and give scholarship to 1000 Omanis to study in China the disciplines required. The press releases indicated that the first project will commence operation by the end of 2017 and the top ten projects in 2019.

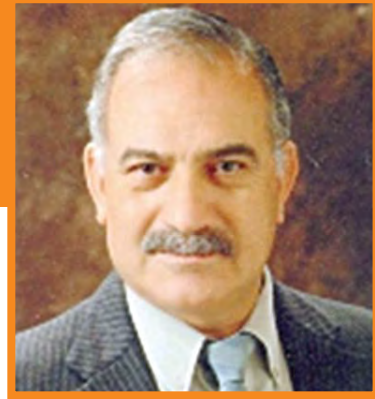
The intensity of the capital invested in the industrial city projects by the Chinese side reflects its confidence in the logistics and service facilities in SEZD that pave the way for the success of any project with guaranteed profits. This was further asserted after the total area of SEZD increased from about 1745 square kilometers to 2,000 square kilometers to accommodate oil storage activities in Ras Markaz annexed to SEZD in accordance with the Royal decree issued on 28 January 2016.

Moreover, the establishment of an oil storage terminal boosts the confidence of any investor regarding the availability of economic feasibility.

To facilitate the transport from/to SEZD, the railway project comes up. Planned was a high-level network connecting Duqm to the major cities in the Sultanate. Maintained shall also be the balance between different modes of transport to ensure safe navigation and safety while dramatically reducing noise and air pollution.

The Chinese delegation that accompanied Wang Yong, Chinese State Councilor, included dozens of technicians, specialists and businesspeople, confirming the importance of the project for the two sides and the confidence of the Chinese side in the feasibility of investment in the Sultanate. We also note that the Sino-Omani industrial city is a great strategic project implemented by the Governments of the two countries, and the Omani private sector does not have an investment role in it.

The Omani private sector may have com-



plementary investment opportunities to the project facilities and expansion during the implementation phases of the project or after its completion.

We can expect the Chinese initiative to invest in the Sultanate as a motivating factor to attract more foreign investments, strengthen the national investor confidence, and form the national capital required to implementing the strategic projects identified in the Ninth Five-Year Development Plan (2016-2020).

Given the importance of SEZD projects, the executive management of SEZD studies each project thoroughly and removes any obstacle that may stand as a hurdle in the way of its implementation.

We can argue that SEZD with its mega and multiple projects and the logistical services it provides as well as its inclusion of major industrial projects will boost confidence in the Sultanate as a guaranteed investment destination for projects and local and foreign capitals.

It will also enhance the national economy activities as follows:

The implementation of the Sino-Omani industrial city projects and a number of other mega development projects will increase GDP and supplement national income with financial resources to reduce dependence on oil revenues.

SEZD would be one of the most important development achievements included in the Eighth Five-Year Development Plan (2011-2015) and continued to the strategic projects in the Ninth Five-Year Development Plan (2016-2020) aimed to diversify the income sources of the Sultanate.

The signing of cooperation, usufruct, and development agreement for the establishment of the Sino-Omani Industrial City in Duqm comes within the framework of the efforts of the Government of the Sultanate to transfer technology to the Sultanate. It is also in implementation of the recommendation of the World Trade Organization that urged its Member States to cooperate to facilitate the transfer of technology to

be an effective contribution in the development of manufacturing industries, improving competitiveness, and promoting development.

Through the membership of the Sultanate of Oman in the World Trade Organization, the Government of the Sultanate continues its efforts to communicate with the industrialized countries in the world to open way for its companies and investments to contribute to the development of SEZD projects.

The size and diversity of SEZD projects can provide thousands of jobs for the national workforce in parallel with the continued implementation thereof. As SEZD projects require large numbers of human resources and technical expertise and competencies, the implementation of projects should go hand in hand with the preparation and training of the national workforce to be ready to run the projects done.

The political and social stability and the sustainability of economic growth are the most important conditions that boost investors' confidence in the country in setting up and expanding projects. Of course, this is one of the main factors to attract foreign investment to the economies of developing countries.

Infrastructure is another important element. Good roads, bridges, power plants, water networks, and telephone networks, transport of all kinds, projects for environmental conservation and complementary logistics services reduce the establishment cost for setting up strategic projects.

We can consider marketing the most important link in the chain of physical production and delivery of services. Marketing is the tool of the complementary business activities for material and service production. Marketing also provides job opportunities for workforce through the required human resources in many different activities. Its functions are not only limited to marketing, but extend to other activities in the departments of production, design, storage, transportation, handling, and other complementary departments.





# SEZAD signs pact with Qatar to set up auto assembly factory

Muscat - :

Yahya bin Said al Jabri, Chairman of Special Economic Zone Authority in Duqm (SEZAD) has signed a usufruct agreement with Khalid al Hail, Chairman of Karwa Automobiles by which SEZAD will provide the company with usufruct right to set up an auto assembly factory with about RO160 million worth of investments.

The agreements were signed during a visit to Muscat by H.E. Sheikh Abdullah bin Nasser bin Khalifa Al Thani, Prime Minister and Minister of Interior of the State Qatar, leading a high-level delegation.

The visit witnessed signing a number of agreements and memoranda of understanding aimed at promoting cooperation between the two countries in various fields of cooperation.

Yahya bin Said al Jabri, SEZAD Chairman affirmed that the agreement enhances cooperation and economic partnership between the Sultanate and the State of Qatar.

« We are happy to sign the land usufruct

agreement with Karwa Company whose investment will be a good addition to the existing investments in the Zone, al- Jabri said in a press statement.

Karwa Company and Oman Investment Fund will finance the capital of the project with 70 per cent investments and the remaining 30 per cent will be financed by the Sultanate.

Under the agreement, SEZAD has allocated a land about one million square meters in the medium industries area to the factory with a capacity of about 2,000 units annually of various types of large and small buses, school buses, trucks, cars and other vehicles.

The project includes the construction of a number of administrative support services, staff housing, and a yard to conduct operational tests for cars, storage yard and display yard, in addition to the other benefits associated with the project.

The usufruct agreement is 25 years, subject to renewal. It is expected employment opportunities to be provided by the project are to range from between 400 and 500 jobs directly and indirectly.

**Production of 2,000 units per year with investments amounting to about RO160 million**

**Interviewed by:**  
**Mohammed bin Ahmed Al-Shezawi**

Paul Gregorowitsch, CEO of Oman Air, in an exclusive interview with Duqm Economist, provides an overview of the efforts by Oman Air to support the tourism sector, pointing out that the Sultanate is an ideal destination for conferences and exhibitions tourism. The country has many features that attract tourists and that Oman Air is working in collaboration with the Ministry of Tourism and other relevant authorities to promote the Sultanate. Oman Air has made an indirect contribution of the Omani economy worth more than RO 450 million in the past year, up from RO 420 million in 2014.

The national carrier of the Sultanate seeks to be the first favourite airline among travellers, he informs.

"Therefore, we show everyone who we are, what we offer, and why travellers should choose Oman Air. The airline is committed to achieving the highest quality in everything that exceeds customers' expectations. Currently, we engage in a powerful program to develop our fleet and expand our network and routes with the view to operating 70 aircraft by 2020. Oman Air is on the right track to achieve operating break-even point by the end of 2017," adds Gregorowitsch.

You have previously announced in a press conference that the current year will witness the launch of new routes by Oman Air. We would like you to shed light on these routes and their commercial importance for Oman Air.

**Oman Air on the track of growth**

# Duqm plays a pivotal role in the growth of national economy





**We support the government efforts to facilitate business growth and attract more investment to SEZD**

**Omani aviation contributions to the national economy last year stood at RO 450 million**

**Decline in jet fuel prices reduces operational costs and achieves competitiveness in «tickets»**



Numerous contributions of Oman Air to the national economy

### New stations

Since late 2014, Oman Air has been engaged in an ambitious fleet and network expansion programme. This has already seen us launch new routes to a range of exciting international destinations, including Singapore, Manila, Jakarta, Goa and Dhaka. The coming year will see us to continue to pursue our expansion programme with vigour. Whilst we cannot mention all the destinations to which we plan to fly, high on Oman Air's list for launch later this year are Mashhad in Iran and Guangzhou in China.

Mashhad is Iran's second most populous city, with around 2.8 million inhabitants, and is a major centre for cultural, religious and business affairs. Located in the north East of Iran, Mashhad's economy is based on trade in fruit, nuts and spices, gems and jewellery, perfume and textiles. It is also Iran's second largest manufacturing centre for the automobile industry.

Mashhad will be Oman Air's second destination in Iran, following the launch in 2012 of a service between Muscat and Tehran. It will further strengthen the powerful bilateral trade links that are well-established between Oman and Iran and deliver further opportunities for the two nations. Importantly, it will also offer travellers from throughout Oman Air's international network the opportunity to discover an

exciting and vibrant new destination. Furthermore, travelers from Iran to Muscat and onward destinations will now have even greater choice and convenience. The new service is sure to prove an overwhelming success.

That is also the case for our planned service to Guangzhou. Guangzhou is known as the City of Flowers and is the third largest city in China, with more than 13 million inhabitants. It also offers China's second busiest airport in terms of traffic movements. Guangzhou is the main manufacturing hub of the Pearl River Delta, and in 2013, its GDP reached US\$248 billion. The city enjoys a thriving cultural life and offers a host of important and historical tourist attractions. Furthermore, it is just a short drive away from both Hong Kong and Macau.

We are therefore very excited that Guangzhou will become Oman Air's first destination in China. It will open up an extremely important new market for Oman Air and introduce the destination of the Sultanate of Oman to millions of potential visitors from China.

### Crisis of falling oil prices

» The world is witnessing an economic crisis as a result of falling oil prices affecting the countries of the region, including Oman. How does Oman Air deal



Passengers disembarking from an airplane in Duqm Airport



Celebrations on the occasion of operation of 737 Boeing flight on Muscat - Duqm route

**with this challenge? Will the current situation affect your vision to reach the previously set breakeven point in expenses and revenues by the end of 2017?**

Oil prices are certainly affecting the economies of those nations that produce oil, including the Sultanate of Oman. For Oman Air, that means two things.

Firstly, it reinforces our determination to achieve operational break-even by the end of 2017, as we have previously stated. As the national carrier of the Sultanate of Oman, we have benefitted from the financial support of the Government as we deliver on our ambitious fleet and network expansion programme. The costs of new aircraft and establishing new routes are huge and we are grateful to His Majesty Sultan Qaboos and his Government for enabling us to make those purchases. As we move into profitability, "Oman Air has made an indirect contribution of the Omani economy worth more than OMR 420 million in 2014 and this contribution increased to OMR 450 million in 2015. The indirect contribution shall remain the same in the future, and we will work very hard to achieve more direct contributions to the promotion of the Omani economy."

Secondly, the fall in oil prices means a fall in the price of aviation fuel. That is good news for any airline. It is assisting Oman Air in keeping its ticket prices at competitive levels and helping to keep our operating costs as low as possible. As a result of lower oil prices, efficiency savings throughout the company and aggressive international marketing, together with the results of our fleet and network expansion programme, Oman Air has increased its revenues and reduced its debt.

### **The level of Ticket sales between Muscat to Duqm**

» This year, Oman Air started operating a Boeing 737s between Muscat and Duqm route on Sundays and Thursdays. What is the rate of turnout? Do you have any plans to increase the frequency to four weekly flights?

Oman Air is proud to work in close co-operation with Oman Airports Management Company (OAMC) as it expands Oman's airport sector. That expansion offers excellent opportunities for not only enhancing Oman Air's services at Muscat, but also developing a range of other domestic routes. We were therefore pleased to launch our route between Muscat and Duqm and to support the economic development of the area. Customer responses to the service have been very positive and it is especially appreciated by the business community. As with all our services, we constantly monitor demand and, whilst we have no plans yet to increase the frequency of flights, we will keep the situation under review.

### **Increasingly important of Duqm**

» **What is your vision about SEZAD? And how will Oman Air contribute to promotion of Duqm?**

As a Special Economic Zone, Duqm is playing a vital role in Oman's economic growth and Oman Air's service is helping to both facilitate business growth in the area and attract further investment.

The importance of Duqm as an industrial centre in Oman has grown rapidly in recent years, as two billion dollars' worth of investment have facilitated the construction of quays, dry docks, roads and hotels, in addition to the new airport. The city, and its Special Economic Zone, plays a vital role in Oman Air's domestic network. Furthermore, it offers great potential as Oman Air's cargo business continues to expand.

### **Sign at ITB London a new agreement**

» **In March 2016, Oman Air participated in ITB Berlin. What are the main achieved results from this participation?**

ITB Berlin is the largest and arguably the most important travel fair in the global calendar. Oman Air has attended for many years and we have always found the event to be impressively organised and highly productive. This year, we were pleased to meet

**We strive to be the first favourite airline among travellers Implementing a solid program to develop the fleet and expand our routes and network**

**operating 70 aircraft by 2020**



**We are on track to achieve operating break-even point by the end of 2017**

**Committed to promoting the Sultanate as a wonderful tourist destination across our international network**

**Rapid growth by Duqm as a new economic centre in the Sultanate**



Oman Air pavilion during the company's participation in ITB Berlin

a wide range of important trade partners, industry experts and, of course, individual air travellers. We discussed the potential for new destinations, new products and services and new partnerships throughout our growing network. And, vitally, we raised awareness of both Oman Air's internationally-acclaimed passenger experience and of Oman's numerous attractions as a leisure and business destination.

This year, we were also delighted to sign at ITB a new agreement with car rental specialists Sixt. This is delivering even greater choice, value and convenience for Oman Air's customers. For example, customers can book their Sixt rental cars directly through [www.omanair.com](http://www.omanair.com). Sindbad members will receive 500 bonus miles when they rent a car from Sixt, and booking the Sixt Limousine Service gives customers 1,000 bonus miles. In addition, customers who rent their desired Sixt vehicle via Oman Air benefit from a best price guarantee and, depending on their Sindbad membership level, can receive up to 15 percent discount on every rental. Alternatively, they can opt for a free upgrade to the next higher class of vehicle. Furthermore, Oman Air's First and Business Class passengers can use the award-winning Sixt Limousine Service when travelling to or from Germany, Singapore, Switzerland and Thailand, as the price is already included in the ticket. Car or limousine hire is an essential element of many people's travel plans and we are delighted to be partnering with a company that shares Oman Air's commitment to quality, convenience and customer care.

### Tourism sector challenges

» The tourism sector is a promising area and is deemed one of the sectors which the Sultanate focuses on for economic diversification. In your point of view, what are the challenges facing the

### development of this sector?

Oman's travel and tourism sector is strong and continues to gather momentum - a recent study anticipated three per cent growth this year. The work that we and the Oman Ministry of Tourism have undertaken around the world to promote Oman as a destination is paying off. The expansion of Oman Air's airport sector is already supporting this growth and the enhanced capacity of existing airports, together with the opening of new ones, mean that international travellers enjoy much-improved facilities. They also mean that both domestic and international travellers can visit a broader range of locations and experience Oman's diversity with much greater ease.

Global economic uncertainty has been a long-term challenge for tourism for many years and is likely to remain so. However, Oman Air's expansion, the expansion of Muscat International Airport and the opening of new airports around Oman are clear indications of an optimistic outlook for the sector.

### Tourism Promotion

» What is your vision for joint cooperation in tourism marketing in Oman? What is the role of Oman Air in this aspect?

As the national carrier of our country, Oman Air is committed to promoting the Sultanate of Oman as a wonderful destination for tourists from throughout our international network. Not only do we fly the flag of Oman across the Middle East, Europe, Asia and East Africa, but we also actively promote the destination of Oman, both independently and in partnership with other organisations.

Our principal partner is, of course, the Ministry of Tourism, with which we operate joint marketing programmes, co-operate on promotional events such as roadshows and trade fairs and run press and familia-



**Pleased with the launch of Muscat-Duqm route and support the economic development of SEZD**

**We welcome the launch of Al-Salam Airlines and believe in establishing good relations with all competitors**

**“Ambiguity” of global economy is a long-term challenge to the travel and tourism industry**

risation (“fam”) trips. We also work closely with the hospitality sector in Oman, which is expanding and offering a wider range of choices for visitors.

We also actively seek out new opportunities to bring both leisure and business travelers to Oman. One of those opportunities lies with the meetings, incentives, conferences and events (MICE) industry.

Oman is an ideal destination for the MICE industry, with a wealth of hotels, resorts and leisure opportunities, expanding exhibition facilities and an outstanding national carrier: Oman Air.

Oman Air offers a range of initiatives and incentives to attract and support the MICE industry. In addition to the fam trips, press trips and dedicated support and training for MICE operators, our sales teams provide flexible and responsive support for all MICE and business travel customers.

They offer all the help and advice needed to make any trip with the airline a success. From working in partnership with MICE travel agents and corporate bookers to negotiating or identifying the best possible prices and travel dates, Oman Air delivers a tailor-made service which meets the specific needs of each group of travellers. Our teams are happy to discuss late name changes, upgrade options and additional services such as lounge access. And they work closely with hotel and resort operators to deliver even greater choice and value.

### **Welcomes to more competition**

➤ **Salam Air, the low cost airline will launch its operations this year. Could this affect Oman Air competitiveness locally or regionally? What is the relation between Oman Air and Salam?**

Oman Air welcomes the expansion of Oman’s aviation sector, and we welcome competition from both Omani and overseas carriers. Our strong market position has been

achieved over a period of time by delivering consistently high standards of service, excellent reliability and on-time performance, superb onboard product. As a result, we have a very loyal, and much-valued, customer base. As more people are introduced to the pleasure and convenience of air travel, we believe that they will increasingly seek out quality and this will bring them to Oman Air, thereby further expanding our customer base. Furthermore, a robust Omani aviation sector will benefit Oman Air. Finally, Oman Air believes in maintaining a cordial relation with all its competitors, especially those who share our Omani heritage.

### **Ambitions**

➤ **What are your ambitions and visions toward Oman Air’s future in light of the intense competition in this sector? And what is the position you are looking for among regional and international airlines?**

Oman Air’s aim is to become the best. We want to be the airline of first choice. Beyond that, we do not benchmark ourselves against any other airline. We have a unique product that reflects the rich culture and warm hospitality of the Sultanate of Oman. We are committed to achieving the highest levels of quality in everything we do, and this is clearly demonstrated through our award-winning onboard service, state-of-the-art aircraft cabins and cutting edge inflight technology. We are currently engaged in a major fleet and network expansion programme, which will see us operate 70 aircraft by 2020. And we are, as I mentioned before, on track to achieve operational break-even by the end of 2017. We are therefore showing clearly who we are, what we offer and why air travellers should choose Oman Air. We are more concerned with exceeding our customers’ expectations than we are with checking on the competition.



# 160 SMEs Exploring Investment Opportunities in Duqm

## Business Opportunities Offered by Major Companies Operating in SEZD for SMEs

Company	Business Opportunities for SMEs	Company	Business Opportunities for SMEs
Duqm Development Company	<ul style="list-style-type: none"> <li>• Works and services associated with the construction of the fishing port</li> <li>• Maintenance of ships</li> <li>• Fish farming</li> <li>• Extension of oil and gas pipelines</li> <li>• Road construction</li> <li>• Electricity and water networks</li> <li>• Works associated with the construction of civil defense station</li> <li>• Construction of gardens</li> <li>• Construction of a sports complex</li> <li>• Landscaping and gardening</li> </ul>	Hussein Fadel & Co.	<ul style="list-style-type: none"> <li>• Supply of interlock</li> <li>• Pigments</li> <li>• Installation of interlock</li> </ul>
International Bio-diesel Production Company	<ul style="list-style-type: none"> <li>• Contracting</li> <li>• Excavations</li> <li>• Blacksmith</li> <li>• Cleaning</li> </ul>	United Gulf Construction Company	<ul style="list-style-type: none"> <li>• Contracting</li> <li>• Maintenance</li> </ul>
Wan Fang Oman	<ul style="list-style-type: none"> <li>• Infrastructure services of Sino-Omani Industrial City in Duqm</li> <li>• Construction of a cement factory</li> <li>• Construction of a glass factory</li> <li>• Construction of a solar panel factory</li> <li>• Kitchen supply</li> </ul>	Park Inn Hotel Duqm	<ul style="list-style-type: none"> <li>• Supply of nutrients</li> <li>• Pastry</li> <li>• Maintenance</li> <li>• Cleaning</li> <li>• Fruits and vegetables</li> <li>• Sewage</li> <li>• Landscaping and gardening</li> <li>• Staff training</li> </ul>
Port of Duqm	<ul style="list-style-type: none"> <li>• Construction of core stores</li> <li>• Construction of logistical stores</li> </ul>	Crowne Plaza Duqm Hotel	<ul style="list-style-type: none"> <li>• Maintenance</li> <li>• Pastry</li> <li>• Fruits and vegetables</li> <li>• Cleaning</li> <li>• Sewage</li> </ul>
Dry Dock	<ul style="list-style-type: none"> <li>• Maintenance services at the Dry Dock</li> <li>• Supply of labor</li> <li>• Supply of tools and equipment for ships</li> <li>• Spare parts for ships</li> <li>• Leisure facilities</li> <li>• Gyms</li> <li>• Medical clinics</li> </ul>	Sebacic Oman	<ul style="list-style-type: none"> <li>• Cultivation of castor tree for investment and production of castor oil</li> <li>• Staff training</li> </ul>
		Contracting companies	<ul style="list-style-type: none"> <li>• Contracting of various kinds in the field of construction</li> <li>• Providing catering and subsistence services, including vegetables, fruits, meat, and fish</li> </ul>



#### Duqm - :

AMID heavy presence of SMEs sector, the major companies operating in SEZD confirmed that the projects they implement in SEZD offer good growth for SMEs sector.

This revelation came during a symposium on «Duqm: Opportunities and Investment» organized by SEZAD in cooperation with the Public Authority for SMEs Development «Riyada» attended by 160 SMEs.

The companies operating in SEZD reviewed the business opportunities on which SMEs can compete and the services they need from SMEs sector.

The symposium aimed at encouraging SMEs owners to invest in Duqm in order to support the development of this sector on the one hand and stimulate major companies operating in SEZD to participate in the development of SEZD and make way for SMEs for growth through business, projects, and services major companies may award them.

Through the working papers, discussions, and meetings between representatives of major companies operating SEZD and SME owners, the symposium also allowed the entrepreneurs to explore job opportunities.


In this context, the SMEs were familiarized with the registration mechanism in SEZD as well as the available funding programs for public and private financing institutions. The symposium gave room for entrepreneurs to know the investors and companies that implement projects in SEZD, the services they can offer to the major companies and business that can compete on.


#### Many Services

The major companies operating in SEZD stressed that they need various services from SME sector and that the projects they implement provide many opportunities for SMEs. These include ship maintenance, extension of oil and gas pipelines, road construction, electricity and water networks, gardening, landscaping, horticulture, construction, excavation, blacksmithing, cleaning, warehousing, supply and installation of interlock, supply of food, and many other services and businesses.

#### Opportunities in the Chinese City and Dry Dock

During the symposium, Wan Fang Oman Company introduced a number of invest-

  
**Wali of Duqm:**  
*we invite entrepreneurs to implement specific projects that contribute to strengthening SEZD growth*

  
**Major companies**  
*confirm several opportunities for SMEs*





**SEZAD:**  
special SMEs  
register and  
allocation of  
10% of the  
purchases  
and tenders

«Riyada» em-  
phasizes the  
importance of  
getting en-  
trepreneurs'  
card

Banks re-  
view funding  
programs  
and services  
provided to  
SMEs



ment opportunities for SMEs sector, including the establishment of cement, glass, and solar panels factories, and kitchen supply. Wan Fang Oman Company is the lead investor in the Sino Omani industrial city in Duqm.

Oman Dry Dock Company confirmed that SMEs could provide many services to the company. They include maintenance services in the dry dock, supply of labor, supply of tools and equipment for ships, and ship spare parts. It also confirmed the company's need for recreational facilities and gyms.

### Specific Projects

H.E. Sheikh Mohsen bin Hamad Al Mas-kari, Wali of Duqm, confirmed that investment opportunities available in SEZD are numerous pointing out that the SEZD experiences profound investment mobility, allowing SMEs larger areas of business growth in SEZD.

In a press statement, he called SMEs

owners to initiate the implementation of specific projects in SEZD to contribute to the promotion of its growth.

The symposium included a number of visual presentations that dealt with the available investment opportunities in SEZD offered by SEZAD and the Public Authority for SMEs Development «Riyada» and the funding from financial institutions in the Sultanate for the development of SMEs sector.

### First Session

The first session included three visual presentations by SEZAD, «Riyada», and Al-Rafd Fund. The session include highlighting SEZD and national goals of its founding, economic engines of SEZD, registration mechanism in SEZAD database to ease communication between investors and entrepreneurs (SMEs) to contract with them in the future and for entrepreneurs to have the 10% allocated to SMEs.

Highlighted was also the importance of the one-stop shop and its role and ser-





vices. There was a direction of major companies to register SMEs to take stock of the number of SMEs benefiting from the 10%. During the session, SEZAD confirmed its commitment to strengthen the contribution of SMEs in projects implemented in SEZD noting that SEZAD, government-owned companies, and government enterprises operating within SEZD allocate not less than 10% of the total purchases and tenders for SMEs and according to the law.

SEZAD explained that it had established a special register for SMEs registration to take stock of those entities and send them to companies implementing the projects in SEZD thus allowing them to get works in accordance with the economic activities they undertake. SEZAD stressed that such registration is not commercial, but in order to support and promote SMEs to receive works from major companies implementing the projects.

Reviewed was also the technical support provided by «Riyada» and its vision and efforts to develop SMEs sector as well as the importance that entrepreneurs should get entrepreneurs' card to enjoy from the facilities it provides them. Illustrated was also the importance of evaluating the companies that assign jobs for SMEs of more than 10% upon analysis and award of tenders.

During the session, Al-Rafd Fund announced that it would provide support for 29 activities of SMEs in Al-Wusta Gover-

norate after it the Fund's board suspended this support previously.

### Second Session

In the second session, the attendees reviewed the projects in SEZAD through a visual presentation by Duqm Development Company SAOC, a subsidiary of SEZAD. Moreover, KPMG, Ernst & Young, Youth Project Development Fund «Sharakah», and SMEs Development Fund also provided visual presentations that highlighted the services and facilities they provide to entrepreneurs wishing to invest in Duqm.

The session witnesses a review of a range of projects and services required by the companies operating in Duqm, which SMEs can provide along with an analysis of the economic aspect in Duqm and opportunities that will be available for SMEs in the coming period.

### Third Session

This session was allocated to the banking sector and was attended by Oman Arab Bank, Bank Dhofar, Development Bank, and Bank Muscat. These banks reviewed the financing services, facilities, and programs offered to entrepreneurs and confirmed that they have a number of funding programs that meet the ambitions and objectives of SMEs, noting that they have teams of specialists working to help entrepreneurs succeed in their projects.

**Big companies emphasize their need to work in the field of construction, blacksmithing, and cleaning services**

**Many opportunities available in the field of construction of roads, power grids, water networks, gardens, landscaping, and gardening**




*SEZAD strengthens its cooperation with banking institutions*

# MoU with Oman Arab Bank to facilitate companies' access to funding



**To help  
SMEs over-  
come the  
challenges  
of financing**

**Encourages  
investors to  
localize their  
projects in  
Duqm**

Muscat - :

His Excellency Yahya bin Said bin Abdullah Al-Jabri, Chairman, SEZAD, signed a memorandum of understanding (MoU) with Oman Arab Bank (OAB) at Knowledge Oasis Muscat recently.

Under the MoU, OAB will provide financing services to private sector companies and institutions that are developing projects within SEZAD. The agreement was signed by Mr. Rashad bin Mohammed Al-Zubair, OAB Chairman and attended by Mr. Amin Al Husseini, OAB CEO.

The signing of the MoU is part of SEZAD's efforts to encourage the private sector to invest in SEZAD and overcome financing difficulties faced by investors, especially small and medium enterprises sector.

The MoU encourages cooperation between SEZAD and OAB to facilitate procedures the investors should follow

for funding their projects carried out in Duqm. Under this MoU, SEZAD will convey the offers received from OAB to investors, companies, and institutions wishing to invest in SEZAD.

OAB will provide many services for investors. In the field of corporate banking, the Bank will provide various types of financing needed by the companies including Trade Finance, Term Loans, Housing Loans, financial and investment consultancy of all kinds, Electronic Banking services, and many other services.

Through its cooperation with banking institutions, SEZAD seeks to encourage investors to localize their projects in Duqm.

During the past two years, SEZAD signed similar memorandums of understanding with a number of local banks and Islamic windows within its efforts to strengthen cooperation with local banking institutions.

**Misbah Qutb**  
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## Scientific Research and Economic Zones

**T**he rivalry between the Panama Canal and the Suez Canal has re-emerged because of the opening of the widening and deepening of the former on 26 June. Although both canals worked together all the time without affecting one another because of their difference in terms of location, nature of the carriers, and the quality of goods passing, the same questions arose with every development in either of them. However, we should consider a new issue this time.

The management, planning, and research teams in every canal in the world today have realized the importance of value-added services offered near each canal, especially logistics, maintenance, repair, collection, packaging, simple and deep manufacturing etc. Any canal should not be just a waterway run by a man/management that collects fees. Of course, the management of every canal has its concept of how to deal with these value-added operations. Hence, the varied experiments carried out by the countries in this area. The same also applied to the economic zones that overlook seas or oceans because there is considerable overlap in the aspirations and attitudes of the two.

The close relationship between the two was the reason that the management of the canal in Egypt and the economic zone in Suez Canal, as an example, approach the same countries or zones that have distinct experiences in business value chains and logistics to benefit from their expertise. Singapore, Netherlands, eastern China, and Norway, for example, are inspiring experience sources. I say all of this for the signing of an agreement between the Sultanate of Oman and China to create an industrial city with investments estimated at more than US\$ 10 billion on 23rd May.

The agreement, which is the most important shift in the operation of SEZD, gives the Chinese side the right to usufruct and development for the establishment of the joint industrial city in SEZD. The industrial city project includes the establishment of an oil refinery with a capacity of about 230 thousand barrels per day. The project also includes solar energy industries, heavy industry industries, chemical industries, metal and engineering projects, and small and medium industries as well as training center, school, hospital, offices, sports center, and 5-star hotel.

In addition to the appreciation to all those who stood behind the conclusion of this thoughtful and integrated agreement, I would like to assert that the

concerned authorities in the Sultanate and SEZAD focus all the time on the contexts of the changes in the operations and related industries in the region and the world. They also have the due flexibility to alter and modify, if necessary, to ensure the sustainability of projects and the integrity of their accounts and revenues.

Perhaps the presence of a training center will be a suitable tool for the development of skills and abilities so that workers adapt quickly with any technical or strategic modifications and developments all the time. It is also useful to look at other similar Chinese experiences in other parts of the world, in the region, Africa, or Latin America. There is no doubt that the agreement with the Sultanate is a thoughtful work carefully forged. It would also be useful to follow up what is going on even within China itself and its efforts in the field of economic development of its ports, economic regions, and big or small industries to achieve the highest return of partnership with it.

The agreement will deepen the relations with a country that would lead the world economically in less than two decades from now. Oman can also think now about the next steps it can take with the Chinese side in Duqm and beyond. We may go a step further and suggest thinking to establish an advanced research center specialized in logistics operations and development in the maritime economic zones. This center would follow up what is going on in every similar economic zones in the world and at the level of logistics, trade trends and structure, risks to the economic and trade growth, outlook for international shipping and its sectors, unloading, and handling over the coming years. It can also consider the developments in maritime transport and markets, sizes of ships, distribution and capacities of major ports, container trade, developments in energy industry, consumption, and transport, sustainability, governance etc.

I have indicated before the well-thought and impressive progress in the operation of SEZD. I manage to track this through various direct tools, such as this discreet Journal, SEZD website, and through some Egyptians interested in the operation system in Duqm and seek to set up investment there. The skill of management of SEZD, conclusion of agreements, follow-up, planning, and development needs a national expert house to frame it, deepen its paybacks, and document this effort for the coming generations.



Sulaiman Al-Harthy, Deputy CEO for Islamic Banking, Bank Muscat:

# Oman has provided elements for Duqm success and local investors are required to take initiative

Interview by:  
Mohammed bin Ahmed Al-Shezawi

Sulaiman bin Hamad Al Harthy, Deputy CEO for Islamic Banking, Bank Muscat, says investment opportunities available in SEZD are numerous, inviting big companies and business people to invest in various sectors in SEZD, especially the industrial sector, which is an export sector that contributes to the achievement of many economic gains for the Sultanate.

In an exclusive interview for Duqm Economist, Al-Harthy stated that “Meethaq for Islamic banking” is willing to finance any project that contributes to the development of economic sectors in the country with a focus on projects that add value to the national economy.

He criticized the attitude of some big companies, which prefer competition over government tenders rather than focusing on export projects, inviting the businesspeople to invest in Duqm and establish factories for export that supplement government efforts to develop SEZD to become one of the economic diversification mechanisms in the country.

Al-Harthy touched upon several issues related to Islamic finance, competition in this sector, and available opportunities for growth for Islamic banks and windows and other issues.





During the signing of the financing agreement between Meethaq and Sebacic Oman

**Ready to finance any project that achieves additional value to the national economy**

## Investments in Duqm

» **“Meethaq” is one of the banking entities that finance projects taking place in SEZD. How do you see SEZD?**

SEZD has many investment factors and the Sultanate has provided it with all success factors, such as essential infrastructure, including Duqm Port, Dry Dock, Duqm Airport, roads and many other projects. Moreover, the facilities and incentives offered by the SEZAD encourage investment and this reinforces our positive view towards SEZD.

## Appeal to Local Companies

» **Through your relations with Omani business people and major companies in the Sultanate, do you find great enthusiasm to invest in SEZD?**

It is noticeable that many large companies do not take the initiative to implement industrial projects that offer additional value to the Omani economy but concentrate on government tenders. We believe that this is not in favor of companies and does not serve the national economy.

For example, SEZD provides good investment opportunities, especially in the industrial sector, which is an export sector that contributes to the achievement of many economic gains of the Sultanate. On our part, we are ready to finance any project that contributes to the development of economic sectors in the country with a focus on projects that add value to the national economy.

Through our discussions with the business-people, we have observed that companies are still cautious regarding the establishment of mega projects in Duqm and wait for tenders and contracts to compete on them. I avail myself of this opportunity to call upon business-people to invest in Duqm and establish factories for export to supplement the government efforts towards developing SEZD to become one of the mechanisms of economic diversification in the country.

The appetite of Omani investors to invest in vital areas in SEZD will contribute to achieving many goals of the Sultanate in establishing SEZD, which is one of the best economic zones in the world characterized

by its ability to embrace giant projects. The government - which invested heavily in basic infrastructure - has provided it with various elements of success and it is now the turn of local investors.

## Project Financing

» **What are the projects you have funded in SEZD?**

So far, we have financed only one project, i.e. Sebacic Oman. The factory that the company is currently establishing in Duqm is the first of its kind for the production of castor oil in the Middle East. During the negotiations, we ascertained the seriousness of the partners in Sebacic Oman and their willingness to invest in productive sectors. Therefore, we did not hesitate in financing the project for its economic feasibility and its use of local raw materials in manufacturing.

## Negotiating with Companies

» **Are there any difficulties you face in negotiating with companies?**

Negotiating with companies to finance their projects takes some time, as we are keen to ensure that the investors are serious. We also disburse our contribution to the funding only after investors have paid their share and this may not be compatible with the wishes of some investors.

## Ready to Finance Duqm Refinery

» **Do you have tendencies to finance the construction of Duqm Refinery or petrochemical projects in SEZD?**

We had previous negotiations with Duqm Refinery Company and wait for the moment the vision to become about the new partner of the Sultanate at the refinery and then we will contact the company to negotiate with them in order to finance the project.

In addition to Sebacic Oman and Duqm Refinery, we are negotiating a number of other investors and looking forward to accomplish an agreement with them soon. “Meethaq” looks with interest to each project with an economic feasibility and contributes to the enrichment of the national economy.

**Big companies should take the initiative in implementing export projects rather than waiting government tenders**



Islam-  
ic banks  
should mar-  
ket them-  
selves and  
explore the  
available op-  
portunities



Sulaiman Al-Harthy during the interview with the editor-in-chief

## Exploring Available Opportunities

### »» In your view, how can the Islamic banking sector contribute to the development of the national economy?

Islamic banking sector is set for the achievement of many gains of the national economy and it has many available funding opportunities. Islamic banks and windows have the ability to finance any project, but they have to market themselves and explore the available opportunities rather than relying on being a Shariah-compliant product to attract clients. They have to market themselves, look for opportunities, and negotiate with investors and convince them of their financing potentials and capabilities. This vision of "Meethaq" enabled it to fund a number of strategic projects in the Sultanate.

## Financial Performance

### »» Are you satisfied with the performance of the "Meethaq Islamic banking" over the past years?

Our performance is more than "excellent," according to the figures and views of analysts. We have been able to achieve growth of 49% in our financial performance last

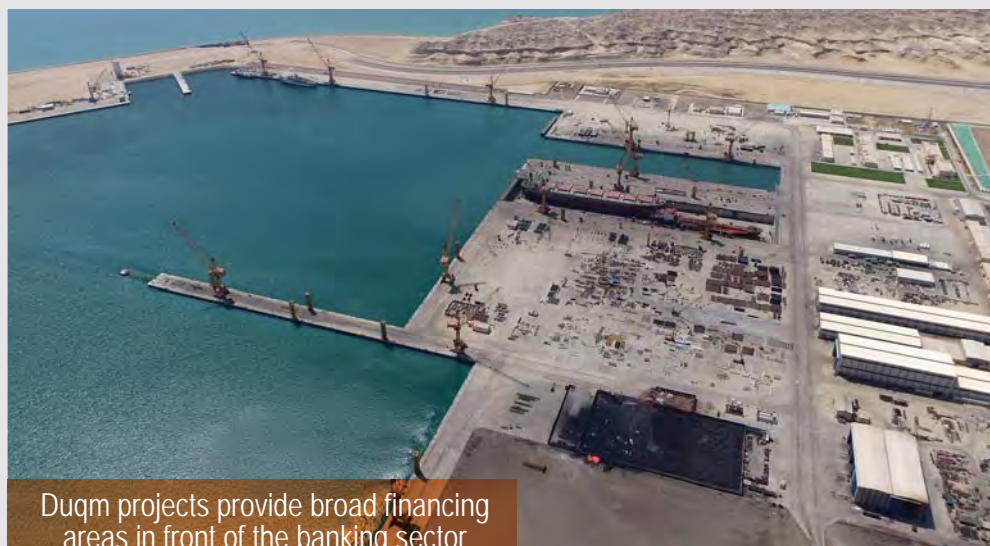
year. Meethaq has about 40% of the financing market of government projects and major projects in the Sultanate. We also focus on increasing our presence in Oman and we have translated this trend through opening 19 branches in various governorates of the Sultanate. In addition, we note a growing demand by community members on the financing products offered by "Meethaq" designed to keep pace with the interests and aspirations of the community.

## New Growth Opportunities

### Given the decline in oil prices, how do you see the future of Islamic finance?

Growth opportunities for Islamic windows and banks are numerous, even in light of bearish oil prices. The decline in oil prices gives way to greater growth of the banking sector, especially with the self-reliance approach of government companies to finance projects not through government funding. This opens up the field wide for Islamic banks and windows to fund strategic projects in the Sultanate and overcomes the liquidity squeeze, if any, in cooperation with foreign Islamic banks. This requires Omani Islamic windows and banks to strengthen relations with them and hold strategic partnerships.

Bearish oil  
prices are an  
opportunity  
for Islam-  
ic banks  
to finance  
strategic  
government  
projects




Duqm projects provide broad financing areas in front of the banking sector

## Truck Oman project in SEZD

# Construction of an integrated logistics center in Duqm



Muscat - :

His Excellency Yahya bin Said bin Abdullah Al Jabri, Chairman of Board of Directors of Special Economic Zone Management Duqm signed an agreement with Truck Oman Projects and Oilfield Services Company, one of the group companies of Truck Oman on the right of use of land for the construction of an integrated center for logistics, which includes warehouse offices, maintenance workshop and storage areas for equipment and machineries for oil and gas fields.

The agreement was signed on behalf of the company by Dr. Mohammed Moosa Al Yousuf, Chairman of the Board.

The project will be built over an area of 23,000 square meters in the logistics area, which is considered one of the main areas for investment in the Special Economic Zone, Duqm which has already witnessed over the past years signing of a number of land use agreements with local and foreign investors.

Truck Oman Projects and Oilfield Services is considered as a state-of-the-art limited liability company founded by Truck Oman Group for the management of its new project in the Special Economic Zone at Duqm.

The group said it hopes that the new

company will be one of economic tributaries in the country to support the plans and policies of economic diversification economic, thereby providing job opportunities to the local workforce in these areas.

The project aims to provide logistics management solutions of various kinds, to meet all the needs of customers, such as management of transport, supporting and controlling the traffic movement, management of vehicles and equipment movement data during the hours of work in the field.

Truck Oman Group said that it has selected the special economic zone, Duqm to construct an integrated center for logistics due to the strategic location of the area, overlooking the Indian Ocean.

The area is considered as one of the mechanisms established by the Sultanate to achieve economic diversification and will become in the coming years an integrated economic center serving the Omani economy from the perspective of economic diversification and will serve the Wusta Region from the developmental perspective. Special economic zone at Duqm has been selected as one of the centers of Truck Oman to expand its logistics services network and link to the other group centers in the Sultanate, particularly in: Nimr, Marmul, Haima, Azz, and Salalah.

  
***Providing varied logistics management solutions to meet the needs of customers***



Implemented in several stages at a cost of RO 390 million

# Usufruct right to construct a tourist project and amusement park in Duqm

Muscat - :

**Tourist  
project and  
amusement  
park**

The Special Economic Zone Authority in Duqm granted Al-Khonji Real Estate & Development LLC "AQAR" the usufruct right to construct a tourist project that includes hotels, residential and commercial complexes, and an amusement park.

The usufruct agreement was signed, in the name of the Authority, by HE Yahya bin Abdullah Al-Jabri – Chairman of the Board of Directors, while it was signed, in the name of the company, by Mohammed bin Abdullah Al-Khonji – Chairman of the Board of Directors and CEO.

The signing of this agreement comes as a part of the Special Economic Zone Authority in Duqm's efforts to encourage Omani investors to invest within the Sultanate, and in ac-

cordance with the efforts of the government to diversify the national income and identify rewarding investment opportunities to the national private sector.

As per the agreement, Al-Khonji Real Estate & Development LLC "AQAR" was granted the usufruct right to develop a land area of approximately 661 thousand square meters to construct a touristic and real estate project to be executed in different phases, with a total approximate cost of RO 390 million, and it is expected that the project will create almost 4,000 direct jobs when it is completed.

## Project Components

The project consists of many phases, and according to the company's statement, the first phase will include the construction of a







3-stars hotel, which is expected to be finalized in the first quarter of 2019.

The project also includes the construction of a commercial complex, villas and residential units, which would be offered to both local and foreign investors, hence becoming the first project with units offered for sale in the Special Economic Zone in Duqm.

According to the master plan, the amusement park will be finalized by 2020 and the health complexes by 2022.

Mohammed bin Abdullah Al-Khanji, Chairperson and CEO of Al-Khanji Real Estate Development Company "Aqar" expressed his pleasure of signing the agreement with SEZAD, stressing his company's commitment to the implementation of the project according to the approved schedule by the company.

In a press statement, he indicated that SEZD reflects the vision of His Majesty Sultan Qaboos bin Said - may God protect him - to diversify sources of national income and

achieve regional development of the various governorates of the Sultanate.

He pointed out that SEZD possesses many of the basic ingredients for success, such as the infrastructure in terms of the port, airport, dry dock, roads, and many other projects. Moreover, SEZAD offers a package of facilities and exemptions that encourage investors to invest in SEZD.

#### Grant to support training programs

During the signing of the agreement, the company provided a grant to support the training and qualification in SEZD as part of its social responsibility programs.

Al-Khonji Real Estate & Development LLC stood-out in the past few years as one of the leading Omani companies in the real estate sector, and had developed various commercial and real estate complexes in the Governorate of Muscat as of the most notably "Rimal 1", "Rimal 2" and "the office".



**Completion  
of a 3-star  
hotel in the  
first quarter  
of 2019**

**The first  
project of its  
kind in SEZD  
offers its  
units for sale**



# Duqm Refinery launches 'the Science of a Refinery'



**The program aims at developing interest in science, technology, engineering and mathematics (STEM) subjects amongst school students**

**We hope to see students inspired to become future scientists and engineers, says the Wali of Duqm**

Duqm -  :

The Duqm Refinery recently launched a program -- The 'Science of a Refinery' for school students in Duqm and the surrounded areas under the patronage of His Excellency Sheikh Mohsin bin Hamad al Maskary, Wali of Duqm,

The program aims to instill interest in students about science, technology, engineering and mathematics (STEM) subjects.

On the occasion, the chief guest and other dignitaries witnessed school children being introduced to the working of a refinery in theory and then through classroom based experiments learn the core fundamentals of chemistry, physics and engineering and relate this to various processes involved in refining.

"The Science of a Refinery" program is developed by Duqm Refinery in partnership with Engineering for Kids - Oman Branch, a venture that inspires children in STEM subjects and brings about an interest for these subjects in a fun and inspiring way that complement and enrich the existing school curriculum.

The program was implemented in partnership with Directorate General of Education in Al Wusta Region. The program is to continue for three days through a total of 24 interactive workshops delivered in six schools in Wilayat of Duqm with the aims to impact 500 students aged 8 to 14 enrolled in grades 2 to 8. The program was implemented in Bahr Al Arab School, Duqm School, Dahar School, Ras Madraka School, Shumookh School and Haitam School.

Commenting on the Program, His Excellency Sheikh Mohsin Bin Hamad Al Maskary, the Wali of Duqm said "It was great to see children working on hands on experiments and be so excited and curious about subjects such as chemistry and physics", he further added: "through such initiatives we hope to see students inspired to become future Scientists and Engineers and give back what they have learnt and contribute to the development of Duqm and the sultanate."

"Commencement of the Refinery's operation will create hundreds of technical jobs for people living in and around Duqm, we hope that such an initiative inspires young generations to study STEM subjects while in higher education and train themselves to work in technical areas on the Refinery project" said Nas-ha Al Fallahi, General Manager of Corporate Affairs at Duqm Refinery.

Graduate Engineers and other employees at Duqm Refinery are participate their time to this initiative, assisting in the live experiments and speaking to students about Engineering and Sciences as future career paths that students can choose.

"Through such a program we aim to support education's sector efforts in the sultanate and inspire the next generation of students and build interest for STEM subjects" said Jasim Al Ajmi, Corporate Communication and CSR Manager at Duqm Refinery.

"Through exposing young children to the wonders of science and engineering at a young age, we hope to inspire in them the need or want to further study or specialize in these subjects in the future", he added.





# Rock Garden in Duqm

Text: Chawqi Abdelameer

## Silent Loud Words







“It's the wind and erosion  
that chiseled them,” geologists would say  
While anthropologist  
Along with lovers of fables and myths  
Would claim they are cursed metamorphoses  
After a great sin.  
As for materialists,  
They would be meaningless forms  
But for chance,  
And that viewers are subject to illusion  
That they see forms and fantasies.  
Contemplating, I would say,  
“No one else knows the answer  
Ask them and listen to their answer  
They know how and why  
They came here and no place further.”

Oh, Duqm lion!

Yesterday, you confronted your peer as

Babel's Lion

Lying for thousands of years

On its human prey,

But tell me

Where is yours?

Who is that?





In Greek philosophy

The Stoics used to:

“Movement is an illusion,

Static is the truth.”

Sages, mystics, and poets were saying

The closer to the truth we get,

The more we desire to keep silent.

I wonder,

Would it be satisfactory

And relieves your ardour

If we believe this

O static moving rocks...?

Total silence

Is the ultimate perception

Of the truth ...



As for you, Henri Moor,  
Poet of silent abstract blocks  
In modern sculpture,  
You will never convince me.  
You do not know the rock garden ...







“The Scream” by Norwegian artist Edvard Munch Edvard Munch (12 December 1863-23 January 1944)

It was sold in 2012 for USD 120 million



Rock scream



It is the cry of a famous Guernica horse.  
I remember I saw it for the first time  
In Madrid Museum.  
I wonder, has Picasso ever passed by here!!





That round baby face,  
I still remember some of its features  
Since knowing Paul Klee,  
The charming childhood magician



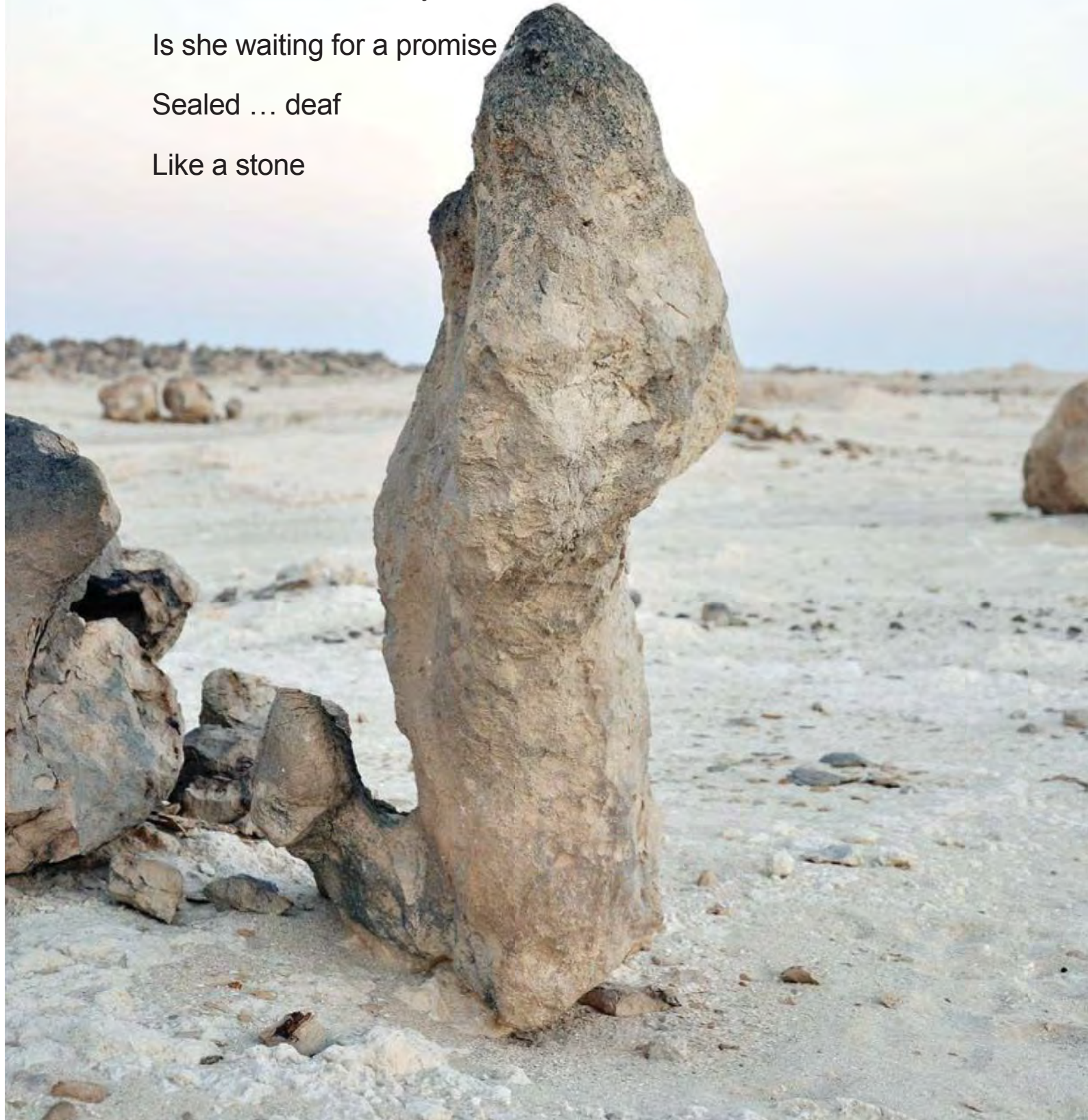


Not holes in a rock wall  
Not dried up springs  
Not human-made artefacts  
It is simply  
Eyes contemplating me  
With a glance of stone





In front of infinity mirrors  
Between the sky, the sea, and the desert  
I wonder what she says  
Is she waiting for a promise  
Sealed ... deaf  
Like a stone





Where are you going?

You creeping object with no legs or arms

What are you doing in this cracked body?

This look that sees only

Me ...

The insistence of yours

To go further

Makes me chill



With participation of more than 300 workers and 2,200 tonnes of steel to be used

# Oman Drydock Company set for the conversion process of a Greek ship



Duqm -  :  
Duqm

Through a new contract and following the successful completion of similar contracts for the conversion of three ships, Oman Drydock Company is all set to receive the ship Olympic Trophy to perform a conversion process.

Work is expected to start later this month with the participation of more than 300 workers with more than 2,200 tonnes of steel to be used. The conversion process, in addition to the manufacturing of steel structures which were completed recently, will be concluded in 80 days.

Dr Ahmad al Abri, deputy CEO, Operations at Oman Drydock Company said that Olympic Trophy is the fourth ship from the same company to be converted from an ore/crude oil carrier to a crude oil only carrier.

The VLOC carrier will be docked in the Drydock to conduct conversion and other general maintenance works including coating, replacement of a number of parts and performing some repairs.

ODC will carry out other additional works through an integrated team that includes technicians, engineers and specialists working in an environment that meets the highest of standards.

Dr Abri added, "This reflects our success and the clients' trust in our talented and qualified workforce and the company's infrastructure."

Oman Drydock Company has received as of February 2016 more than 400 ships of different sizes since its inauguration in 2012. Those ships include VLCCs, container carriers, LNG carriers, LPG carriers, chemicals carriers, and vehicle transport ships.

## International participations

In order to strengthen its presence in global markets, Oman Dry Dock had participated in the International Maritime Exhibition 2016 in Posidonia, Greece, held on 6-10 June 2016.

This exhibition was the largest forum of ship owners in the world and one of the most famous specialized exhibitions for shipbuilding, ship repair, and dry docks.

The participation was to meet the most important pioneers in this giant industry upon which many world countries depend as one of the most important sources of national income.

The Greek maritime sector is a huge market for many specialists in this field. Through its participation in the exhibition, Oman Dry Dock Company aimed to gain the confidence of its customers by highlighting the competitive advantages of its dry dock.

  
**"We look forward to be the best dry dock company in the Middle East", says Dr. Ahmed Al-Abri**







**Mohammed bin  
Ahmed Al-Shezawi**  
Editor-in-chief



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## Duqm and Poetry

In this issue, the Iraqi poet, Shawqi Abdul-Ameer, highlights a beautiful painting of an area in SEZD, the rock park, which is a tourist landmark in terms of history, geology, and tourism on the local and global levels.

In his creative and poetic vision, the poet saw in the rock garden more than others see. He considered every rock a poetic object that he could address to have a glimpse of life or life as a whole. These rocks distributed all over the park in various and different forms raise many questions about their presence in this place, their formation, and the connection between them and other global works of art by Picasso, Henry Moore, or Edvard Munch.

The culture and poetic experience of Shawqi Abdul-Ameer inspired him profoundly about the rock park, which he believes it has many secrets and it serves as an inexhaustible poetic fountain. Here stands Duqm lion. There is also a "stone cry" near a rock "fortune teller" and "roundish childlike face."

Shawqi Abdul-Ameer, born in the Iraqi city of Nasiriya, spent nearly four decades in Paris and moved between Sanaa, Muscat, and Baghdad, is one of the prominent figures in the Arab and global cultural landscape. He held several important cultural and media positions. He was the cultural adviser to Federico Mayor, Director General of UNESCO, in charge of the Arab region. He moved to the UNESCO Office in Beirut to participate from there in the launch of the largest Arab cultural project "Book in a Newspaper."

The visitor of the rock park would see many secrets. The poetic text "words in loud silence" sought to explore some of the secrets revealed by the park and some of the characteristics of SEZD in terms of mild climate throughout the year and interest paid to it. The rock park is ready to be a global tourist and cultural attraction and a meeting place for poets and lovers of arts especially sculpture and painting.

Finally, we do thank poet Shawqi Abdul-Ameer for his "words in loud silence," by which he singled out Duqm Economist. We hope that this poem entices SEZD visitors to know other secret of Duqm.