

# Private Sector puts its trust in Duqm

Signs 96 usufruct agreements in 2016

مبادرات خضراء لمستثمرين القطاع الخاص  
Green Initiatives For A Clean Tomorrow

Safana AlHarasani

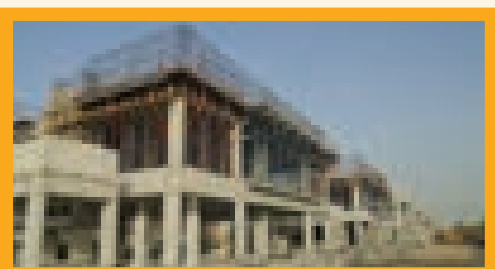
Duqm is a successful project and we started investing there since 2009





# Combined Group Contracting Co.

More Than 50 years of Cumulative Experience in Contracting Works



## About CGC

- Combined Group Contracting Company (CGC) Kuwait was established in 1965 as a limited liability company. With perseverance, diligence, non-stop development and improvement, focus on quality and customer satisfaction, and with God's grace, the company became a publicly traded shareholding company.
- CGC has moved from strength to strength over the last four decades. CGC staff currently number over 12,900 employees who are highly qualified and with well-rounded experience in a diversified field of engineering, finance and business administration.
- Our activities encompass several market segments, including civil and building works and with great emphasis on health and safety matters in addition to high quality issues, Combined Group Contracting, is able to successfully engage in water, power generation projects as well as oil and gas projects.
- With management commitment towards quality and safety, CGC became the dominant force in the construction industry across the Gulf region.
- To support our contracting activities in Kuwait, Oman, U.A.E., Qatar, Saudi Arabia, CGC decided to have its own asphalt plants, ready-mix concrete batching plants, and a diverse fleet of machinery, ranging from heavy specialized equipment to light vehicles.
- With a dominant contracting role in Kuwait, Oman, Qatar, and U.A.E., and the great success in projects that spread across Lebanon, Indonesia, Georgia, Mongolia, and Uzbekistan, CGC became a building contractor you can rely on.
- On February 10, 2016 CGC signed an agreement with Special Economic Zone Authority at Duqm to execute the fourth phase of Duqm port involving constructing the basic structure of government quay. Execution period will be 30 months from the date of awarding the project in addition to 30 days for preparation works.



شركة المجموعة المتكاملة للمقاولات  
Combined Group Contracting Co.



ميناء الدقم  
PORT OF DUQM

## Oman's New Logistics Hub !

Strategic Location • No Congestion • Deep Draft  
Break Bulk • Containers • Dry Bulk • Liquid Bulk  
Logistics and Industrial Land for your investment



For further information, contact:

Port of Duqm Company SAGC | Tel : (+968) 24342800 | Fax : (+968) 24507543 | [info@portduqm.com](mailto:info@portduqm.com) | [www.portduqm.com](http://www.portduqm.com)

[facebook.com/portduqm](https://www.facebook.com/portduqm) [twitter.com/portduqm](https://twitter.com/portduqm) [instagram@portduqm](https://www.instagram.com/portduqm) [Linked in linkedin.com/company/portduqm](https://www.linkedin.com/company/portduqm)

# Standing by The Nation

for economic prosperity  
through service excellence



**Bank Sohar**  
S.A.O.G.  
Excel

Committed to a customer-focused approach for supporting government initiatives across all channels, while the Nation takes big strides towards economic sustenance. Marking the journey with remarkable milestones.

☎ **24730000** [www.banksohar.net](http://www.banksohar.net)

📷 [banksoharexcel](https://www.instagram.com/banksoharexcel) [@Banksohar\\_Excel](https://twitter.com/Banksohar_Excel)

📘 [excel.banksohar](https://www.facebook.com/excel.banksohar) [Excelbanksohar](https://www.youtube.com/Excelbanksohar)

#### AWARDS

Best Customer Service | Best Call Centre | STP Award 2015 | Strategic Award | Silver Award | OER Top 20 Large Corporate Awards | 'Best Mid-Size Bank in Asset Quality' Award | Best Customer Service Brand | Best Financial Brand | Peak of Success Award for Business Excellence | Best Social Media Bank - Oman 2016

# Community of Diverse Cultures and Investments

This issue of Duqm Economist highlights the achievements of Special Economic Zone in Duqm (SEZD) in terms of investment results during 2016. SEZD has attracted a variety of investments worth more than USD 13 billion. This confirms the importance attached to Duqm by the business community in the Sultanate and abroad in line with the directives of His Majesty Sultan Qaboos bin Said to diversify sources of national income in a way that would benefit all.

It is perhaps important to note that new investments of local and international companies will contribute over the coming years to achieving our aspirations for Duqm to become one of the best cities that provide its residents with what they aspire to in terms of good work and enjoyable stay. The review of the most important projects regarding which SEZAD granted usufruct in 2016 brings the Sino-Omani Industrial City in Duqm to the forefront. It includes about 35 diverse projects established on three sites in SEZD. Moreover, SEZAD signed investment agreements in the industrial, tourism, commercial and logistics sectors. These investments will achieve the aspirations of SEZD residents and provide them with the different services they need.

We thank the local and foreign investment companies for choosing Duqm and urge them to implement their projects as per their respective investment programs. For our part, SEZAD will provide the support these companies need in accordance with the provisions of the legislation in force.

Another aspect that is no less important than the above is that the agreements signed during the last year and previous years gave way to diversifying the nationalities of investors. By the end of last year, the number of nationalities investing in SEZD was around 16, which helps SEZAD to achieve its ambition in making Duqm a city of diverse cultures that embodies coexistence between Omanis and non-Omanis and integrate modernity and originality. Such coexistence and the resulting cultural and civilizational interaction shall provide a positive atmosphere of social life, which is one of the components of modern society.

Moreover, SEZD has provided opportunities to many small and medium-sized investment companies. In 2016, SEZAD signed agreements with more than 20 companies whose capital is less than OMR 100,000 out of 96 companies that secured usufruct rights of SEZD plots. This reflects SEZAD desire to make Duqm an appropriate place for the growth of SMEs.

While we welcome 2017 with more optimism, we extend our thanks and appreciation to the various government agencies that have been supporting SEZAD, the companies investing in SEZD, and construction companies that execute projects therein. I also thank SEZAD staff for their efforts through teamwork to achieve the aspirations of the Sultanate to make SEZD an oasis for investments and a new source of economic diversification.



**Yahya Bin Said Al Jabri**  
General Supervisor



**number of nationalities investing in SEZD was around 16, which helps SEZAD to achieve its ambition in making Duqm a city of diverse cultures that embodies coexistence between Omanis and non-Omanis and integrate modernity and originality.**

Quarterly Magazine on  
Economic Affairs and Free  
Zones

Issued by:  
Special Economic Zone  
Authority Duqm (SEZAD)

#### General supervisor

Yahya bin Said bin Abdullah Al-Jabri

#### Chairperson of the Supervisory Committee

Ismail bin Ahmed Al-Balushi

#### Editor-in-Chief

Mohammed bin Ahmed Al-Shezawi

#### Editors:

Saleh bin Nabhan Al-Ma'amari

Correspondence and  
advertising in the name of  
the Editor-in-Chief to:

P.O. Box: 25  
Postal Code: 103,  
Bareeq Al-Shatti, Oman

Tel:  
0096824507572  
/0096824507540

Fax:  
0096824587400

Email:  
magazine@duqm.gov.om

Website:  
www.duqm.gov.om

The views expressed in  
the magazine are those  
of the authors and do not  
necessarily reflect the  
opinion of the magazine.

The magazine welcomes  
specialized research and  
academic studies

## In this issue:



New steps in Duqm Refinery and  
Petrochemical Complex Project

10



Foundation stone of Sebacic Oman Bio-Refinery  
for Production of Derivatives of Castor Oil in Duqm

14



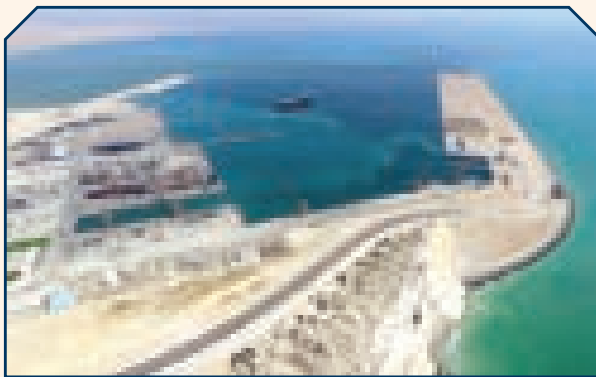
Signing an agreement to construct  
Duqm Sea Port Company

34



**Signs 96 usufruct agreements at Duqm**

**17**



**Duqm Port poised for full commercial operation**

**37**



**Providing 250 employment and training opportunities coupled with employment for Omanis in Duqm**

**47**

**Safana Al-Barwani:**

**Duqm is a successful project and we started investing there since 2009**

**31**



**Implementation of more than 25 social responsibility initiatives in 2016**

**50**



بنك العز الإسلامي  
alizz islamic bank



# Growth inspired by trust

**Success is easier with the right partner.**

Alizz Islamic Bank Corporate Banking offers you a range of innovative financial solutions to help your business flourish, completely in line with Shari'a principles.

Your business growth is our priority.

Working Capital  
Finance

Trade  
Finance

Term  
Financing

Project  
Financing

Treasury  
Services

Term Investment  
Deposit

CBD | Al Khoud | Nizwa | Sohar | Salalah | Wattaya | Athaibah





## *Partner in Progress*

Whether you are travelling on the many new roads of Oman such as the Sur-Bid Bid Road, the Muscat Expressway; or, visiting some major hotels; or, flying in any of the latest Oman Air carriers; or, passing through the Muscat International Airport, Oman Arab Bank is always there with you.

As the major financier of key projects, Oman Arab Bank has contributed to the development of major infrastructural, oil and gas, petrochemical and tourism projects across the Sultanate of Oman for almost 40 years.

Oman Arab Bank also serves you through a wide network of 67 local branches and offices, as well as 400 branches and associates of Arab Bank Plc., spread over 40 countries.

For more information visit [www.oman-arabbank.com](http://www.oman-arabbank.com)



**بنك عُمان العربي**  
**OMAN ARAB BANK**

# New steps in Duqm Refinery and Petrochemical Complex Project



During the signing of the MoU

**Oman Oil and Kuwait Petroleum International sign a Memorandum of Understanding (MoU) to cooperate in the development of the project.**

**The project will transform Duqm into one of the most important regional hubs in the petroleum industries.**

## Duqm -

Oman Oil Company and Kuwait Petroleum International signed on 9th November 2016 a Memorandum of Understanding to cooperate in the development of Duqm Refinery and Petrochemical Complex in the Duqm Special Economic Zone (SEZ).

The MoU was signed on behalf of Oman Oil Company by Mr. Hilal bin Ali Al-Kharusi – Acting Executive Managing Director, and on behalf of Kuwait Petroleum International by Mr. Baheet Al-Rashidi – CEO of the company. The ceremonies were held in the Crown Plaza Hotel in the Duqm Economic Zone with the attendance of H.E. Yahya bin Said Al-Jabri – Chairman of the Board of Directors of the Duqm Special Economic Zone Authority (SEZAD), and H.E. Dr. Darwish Said Al-Muhamri – Vice Chairman of Oman Oil Company.

### Ongoing partnership

According to the MoU, both parties will seek to form a long standing partnership to own, manage and operate Duqm Refinery, and later on the Petrochemical Complex. Both parties will own equal shares in the Duqm Refinery and Petrochemical Complex Project.

Under the MoU, both parties will study the possibility of introducing new strategic partners in the future, hoping that the future will transform the zone into one of the biggest industrial and economical hubs in the Sultanate.

During 2016, the leveling works on the 900-hectare site has been completed and it is expected that the final investment decision (FID) will be taken by the second quarter of 2017.

### The Petrochemical Complex

Eng. Isam Al-Zadjali – CEO of Oman Oil Company said that the Memorandum of Understanding states that both parties will have equal shares in Duqm Refinery, but investment shares in the Petrochemical Complex were not yet specified; this will be determined in a later stage after examining the results of the initial and financial studies. He declared that both projects as complementary for the long term plans of Oman Oil Company, assuring that at the same time both Oman Oil Company and Kuwait Petroleum International fully understand each other's long-term plans.

### Operating the Refinery in 2012

As per the commencement date in construction work of Duqm Refinery, Oman Oil Company declared that it is trying to get final approvals from the Board of Directors, Funding parties of the project, along with other related entities before the second quarter of 2017, pointing out that the operation stage will start in 2021 with a production capacity of 230 thousand barrel a day. Explaining that the main purpose of the refinery is to provide the materials needed by the petrochemical



During the explanation of Duqm Refinery

complex unlike Al-Fahal and Sohar refineries which are Gasoline refineries.

#### Estimated cost

He pointed out that the estimated cost of the refinery is currently of 7 billion dollars, and he said that Duqm Refinery is a gigantic project that will provide employment for Omani youngsters, and will give room for Omani companies interested in the investment in the refinery's supporting services.

He also noted that Oman Oil Company is keen to cooperate with strategic partners that are able to translate its ambitions in developing promising economic projects that would add to the evolution of the national economy.

#### Expansion in refining

Mr. Nizar Al-Adsani – Deputy Chairman & CEO of Kuwait Petroleum Corporation (KPC) expressed his happiness for signing the MoU with Oman Oil Company, assuring that the company was seeking to expand in the refining activity as per the strategy of KPC. We studied the partnership with Oman Oil Company to develop the Duqm Refinery Project and this is the first signed MoU between both parties. He noted that the MoU exemplifies the spirit of economic cooperation between Oman and Kuwait, and hoping that the partnership agreement will be signed at the beginning of 2017.

He pointed out in a press release following the signing of the MoU the importance of investing in the Duqm Refinery and Pet-

rochemical Complex, hoping that the project that is going to be built in the Duqm Special Economic Zone will be a successful module for future projects in the energy sector in the promising markets of the GCC Countries.

#### Big projects in the GCC

He explained that this project is the first massive joint project in the GCC, and will contribute to the transformation of the zone to one of the most important hubs in the petroleum industries in the region and the world, and it will create a quantum leap that will move the GCC Countries from competition to integration phase.

And he said that the MoU states the obligation to invest in the refinery as a first stage. And pointing out that the signing of the MoU is a step that will be followed by others concerning the petrochemical complex, in addition to other opportunities currently under study with Oman Oil Company, all of which might create an integration strategy between Oman and Kuwait, an ambition sought by both governments.

As per choosing the Duqm for their investment, Al-Adsani explained that the Duqm Special Economic Zone enjoys characteristics that encourage investment. It is the meeting point between East and West, its location on the Arabian Sea and its closeness to the Asian markets which creates for Kuwait Petroleum International in particular and Kuwait in general, a strategic dimension to be present in this unique location.

**7 billion dollars... the estimated cost of the refinery**

**Isam Al-Zajali: The refinery will be operating in 2021 with a production capacity of 230 thousand barrel a day**

**The MoU will open the opportunity for more strategic partnership in future**



Audience watches a presentation of the Special Economic Zone in Duqm



During the exchange of souvenirs

**Nizar Al-Adsani:**  
*investing in the refinery is a first step, we are evaluating other steps to re-inforce our partnership*

**Bakheet Al-Rashidi:**  
*the collaboration between Oman and Kuwait to build the Duqm Refinery has attracted vast local and international attention.*

#### Transferring international experience

From its side, Mr. Bakheet Al-Rashidi – CEO of Kuwait Petroleum International stated that his company aims through this investment to transfer its ample international experience in mega petrochemical projects in Europe and Asia, which will further support and guarantee the success of the project and will create vast commercial opportunities and trained local workforce in the petroleum industry.

He said that the collaboration between Oman and Kuwait to build Duqm Refinery has attracted vast local and international attention due to its unique nature, as well as the benefits it will bring about to the region and two countries, in addition to paving the road for further cooperation between both countries.

The Duqm Refinery and Petrochemical Industries Company was founded in 2012 as a joint venture between Oman Oil Company and the International Petroleum Investment Company (IPIC). This partnership has resulted in the completion of substantial work, driven through the project steering committee and board of directors. However, IPIC concluded in 2016 that the proposed new direction of the project, which includes petrochemicals, does not fit with the investment strategy of IPIC and decided to pave the way for a new partner to enter the Duqm Refinery project.

The project will be one of the growth engines for the Duqm Special Economic Zone and what it will provide of varied development and growth opportunities.

Oman Oil Company is the Government's

investment arm in the oil & gas and energy related sectors. It was established in 1996 to pursue investment opportunities in the wider energy sector both inside and outside Oman. The company plays an important role in the Sultanate's effort to diversify the economy as well as fostering and building human capital. The portfolio of the company consists of over 40 investments across 15 countries. Investments within Oman are managed through four subsidiaries: Oman Oil Company Exploration and Production LL, Oman Oil Facilities Development Company LLC, Oman Oil Duqm Development Company LLC and Takamul Investment Company S.A.O.C.

As per Kuwait Petroleum International (KPI), it is a company organized and existing under the laws of England, was established in 1983, as the international downstream arm of Kuwait Petroleum Corporation (KPC), and is recognized as one of the world's top ten energy conglomerates.

Kuwait Petroleum International, known by the trademark Q8, refines and markets fuels, lubricants and other petroleum derivatives outside Kuwait. Its main activities are focused on Europe and the Far East. The KPI Group markets fuel via over 4,000 service stations across Europe and operates a direct sales operation, providing road fuel and heating oil. International Diesel Service (IDS) is dedicated to the needs of international road transport companies. Q8Aviation provides jet fuel at more than 60 airports internationally and Q8Oils manufactures and markets some of the world's finest lubricants.



A memorial photo in the Site of Duqm Refinery



**MEETHAQ**  
للصيرفة الإسلامية  
Islamic Banking

# Achieve your life goals with Meethaq Savings Plan

Presenting unique savings plans which can be customized to suit your needs. Grow your savings with the best profit rates so you can realize your goals as per your tenure.

- Design your own Savings Plan
- Built-in Takaful Cover
- Direct Debit option
- Emergency withdrawal





**The first in the Middle East**

## Foundation stone of Sebacic Oman Bio-Refinery for Production of Derivatives of Castor Oil in Duqm

**Yahya Al-Jabri: The project translates SEZAD vision to attract investments and create successful partnerships between the Omani and foreign companies**

**Duqm – الدقم :**

Sebacic Oman SAOC celebrated on Wednesday, 26 October 2016 laying the foundation stone of Sebacic Oman Bio-Refinery for the production of Derivatives of Castor Oil under the patronage of H.E. Yahya bin Said Al-Jabri, Chairman of SEZAD Board of Directors.

This Bio-refinery is the first project of its kind in the Middle East to produce Sebacic which is extracted from castor oil and is used in many industries, such as chemicals, plastics, and drugs. It is also used as an intermediate substance in detergents, paints, and perfumes industry. The high economic importance of this

product would encourage the establishment of many allied industries in SEZAD.

The investment cost of the project is about OMR 24.00 Million in an area of 400,000 square meters.

H.E. Yahya bin Said Al-Jabri indicated that Sebacic Oman Bio-Refinery is a good addition to SEZAD that witnesses a diversity of investments.

"We meet today in Duqm to celebrate laying the foundation stone of this vital project, which is a joint investment between the private individual in the Sultanate and India.

It expresses SEZAD vision to promote domestic and foreign investments and create successful partnerships between





the Omani and foreign companies.

Moreover, the funding of the project by Meethaq Islamic Finance emphasizes the role of the banking sector in promoting such partnerships," stated Al-Jabri in a press statement.

"While expressing our joy today for laying the foundation stone for this project, we invite the local private sector to invest in SEZAD, which offers many facilities and incentives that encourage investment," SEZAD Chairman said while commending the initiative of Sebacic Oman Company as a First One to set up its project in Duqm.

For his part, Sheikh Hilal bin Khalid Al-Mawali, the Chairman of Sebacic Oman SAOC, said that the strategic and



Hilal bin Khalid Al-Mawali

historic site of Oman and the noble approach of His Majesty Sultan Qaboos bin Said - may God protect him - has made Oman an oasis of security and stability in the region. "The vision of His Majesty and his continuous call for diversification of income sources and the issuance of his Royal orders for establishment of SEZAD requires all Omanis to exert more effort to establish distinct economic projects based on knowledge and innovation. These should be in line with the

**Hilal Al-Ma'awali: The refinery allows the establishment of industrial manufacturing facilities**

**Investing OMR 450 million in the second phase of development**

**Allocation of 400 thousand square meters to the current stage and future expansions**





◆◆◆  
**Sebacic acid enters into many chemical industries, plastics, and drugs**

◆◆◆  
**Product has a high economic importance and contributes to the creation of many industries**

huge infrastructure investments by the State in the various economic zones in the Sultanate,” stated Al-Mawali.

“The project has a long-term vision aimed at bringing investments from Oman and abroad by establishing industrial facilities next to the petroleum refinery.

We are currently discussing the opportunities for a mix blend of products from Petroleum Refinery and Our Bio-Refinery with investors from foreign countries.

Our CEO, Mr. Pradeep Kumar Nair has advanced technological capabilities and identified products and Market for this Business Plan, said Al-Mawali in his speech delivered during the ceremony.

“The design of Our Bio-refinery relies on a high-tech proven Technology.

SEZAD has allocated us 400000

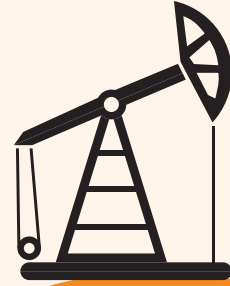
square meters for this phase and future expansions.

The construction work is proceeding as according to the schedule set and in conjunction with the manufacturing of heavy equipment in many foreign countries. We will qualify and train the Omani nationals to work in the various disciplines in our Bio-refinery,” added Sebacic Oman partner.

In his speech, Sheikh Hilal bin Khalid Al-Mawali spoke about the refinery products and target markets. He said that there would be many derivatives of Castor Oil. “We have identified target markets. We also follow a strategic ten-year development plan with investments that exceed OMR 450 Million. This will provide more than 700 jobs,” concluded Sheikh Hilal Al-Mawali.



# Signs



Prepared by:  
Mohammed Ahmed  
Al-Shezawi

## usufruct agreements at Duqm



# Private Sector puts its trust in Duqm

**Tourism sector attracts investments of OMR 681 million and implementation at several stages**

**OMR 22.4 million total new investments**

**35 industrial projects receive land usufruct in 2016**

## Duqm - :

The local and global private sector stressed its confidence in SEZD. Statistics from one-stop window indicate that the number land usufruct agreements signed by SEZAD during 2016 was approximately 96, bringing the number of usufruct agreements signed by SEZAD since its inception in 2011 to 165 in addition to the three agreements signed before the foundation of SEZAD.

In addition to the Chinese investments, SEZAD attracted investments of about OMR 900 million of which OMR 681 million in the tourism sector, OMR 187.6 million in the industrial sector, OMR 22,400,000 in the commercial sector, OMR 6,800,000 to establish commercial residential projects, and OMR 1,400,000 to invest in the sector of showrooms, warehouses and logistics.

### Tourism sector in the lead

According to data prepared by Duqm Economist, the cost of tourism and real estate development projects that received land usufruct in SEZD during 2016 amounted to OMR 681,000,000. The number of usufruct agreements signed by SEZAD in the tourism sector was 13. The implementation of the projects shall be in several

stages that consider population, economic and urban growth of SEZD.

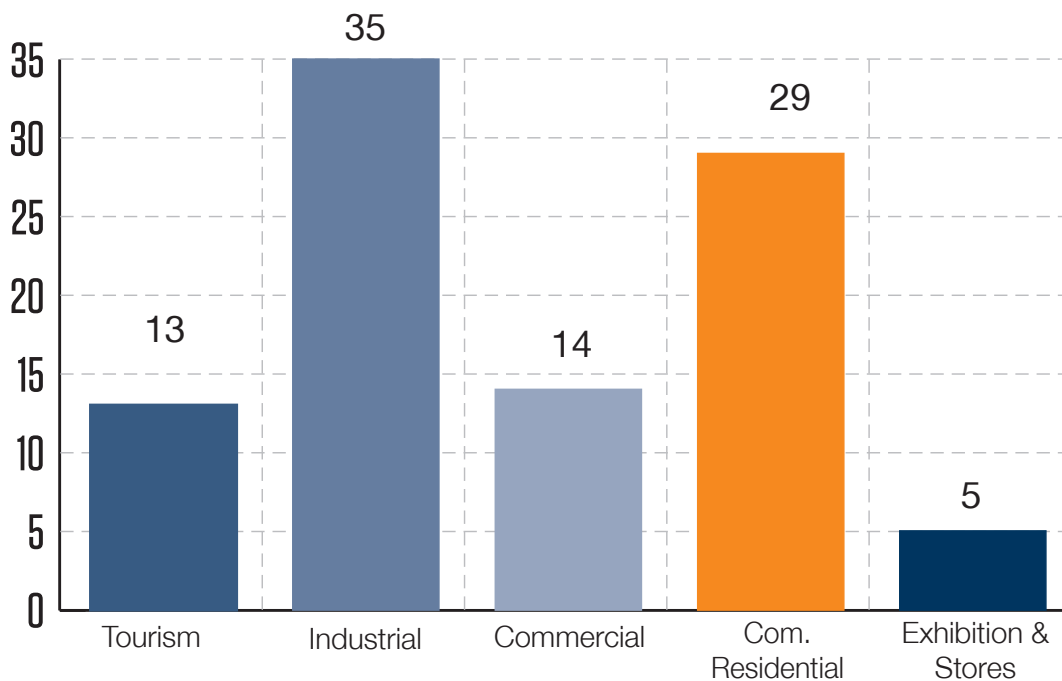
The new tourism projects include a tourism destination established by Marina Duqm Company, one of the Golden Group of Companies. This tourist waterfront will include hotels, mall, residential complexes, entertainment center, water amusement park and a number of other tourist services and facilities at a cost of about OMR 283,000,000. SEZAD also granted Al-Khonji Real Estate Development Company "Aqar" land usufruct for the construction of a tourism project that includes residential and commercial complexes with investments estimated at OMR 390,000,000. SEZAD also signed a usufruct agreement with Renaissance Services Company for the construction of a leisure club on an area of 10 thousand square meters that includes restaurants, open golf courses, swimming pools and a number of other services at a cost of OMR 3,000,000.

In addition to the previous projects, SEZAD awarded land usufruct to a number of companies for the construction of hotel apartments and a 3-star hotel, including Citadel Investment Company, which plans to construct a hotel and shops at around OMR 1,500,000. Soqoor Al-Baida Trading



Main Street of  
Wilayat of Duqm  
Center

## 96 usufruct agreements signs at Duqm in 2016



Company would also build a 3-star hotel at a cost of OMR 620,000. Abraj Oman Company plans to construct a 3-star hotel at a cost of OMR 400,000. Thimaar Duqm Company will build a hotel at a cost of OMR 360,000. Dhofar Networks Company plans to build a hotel at a cost of OMR 200,000.

Three companies signed usufruct agreements for the construction of hotel apartments. These are Jabgat Al-Ahliyyah Company, Dar Al-Dhaiah Trading Company and Sawahil Al-Duqm Al-Shamilah with an investment estimated at OMR 1,000,350. Duqm Environmental Resort Company also won land usufruct to build chalets, restaurant and a coffee shop.

### Industrial investments

In 2016, SEZD witnessed signing 35

land usufruct agreements for the construction of industrial projects. By this, the industrial sector had 38.8% of the total number of agreements signed during the year. The new industrial projects investments are about OMR 187.6 in addition to the investments of the Chinese industrial city.

The list of industrial projects that signed agreements during 2016 include assembling cotton products, production of food and fish oil, brick factories, production of diesel and industrial detergents, glass factory, plastics factories, medical products, cooking equipment, cooking gas, paint manufacture, production of medicines, oils, and medicinal herbs. This is in addition to a center for the production of iron at a cost of OMR 4,000,000.

**Agreements reflect investors' willingness to create commercial housing projects**



One-stop window.. continuous demand from investors



Duqm Façade City,  
an existing project  
in SEZD

**Express  
visa in the  
least time  
possible  
and tour-  
ism visa di-  
rectly from  
the entry  
checkpoint**

**The One-  
Stop shop  
window  
received  
more than  
240 appli-  
cations for  
investment  
in 2016**

**Compa-  
nies show  
interest in  
the estab-  
lishment  
of global  
schools,  
institutes  
and spe-  
cialized  
hospitals**

The commercial residential projects were 29 at a cost of OMR 6,800,000.

#### **An integrated logistics center**

The logistics area witnessed signing five agreements with an estimated investment of OMR 1,400,000, notably the agreement under which Turk Oman Company had land usufruct for the construction of an integrated logistics center that includes offices, warehouses, maintenance workshop, and storage areas for oil/ gas field equipment. The project will be on an area of 23,000 square meters with investments estimated at OMR

#### **255 investment applications**

The one-stop window in its two branches in Duqm and Muscat witness daily visits from investors and business owners to learn about the investment environment in SEZD. In 2016, the one-stop window received more than 255 applications for investment.

In the industrial sector, it received applications for investment in fish products, gas industries, construction of factories for brick and concrete products, manufacture of vehicle parts, and factories to for water bottling and purification.

In the tourism sector, it received requests for the establishment of hotels, camps, chalets and international restaurants.

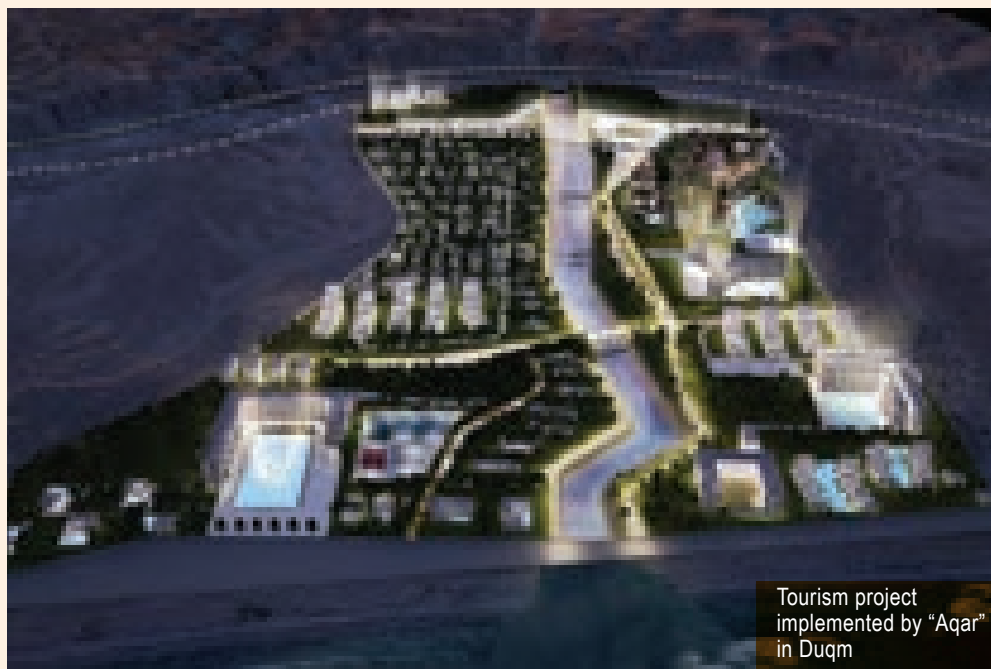
In the educational sector, it received requests for the construction of international specialized schools and institutes in the administrative, technical and technological fields and crafts and driving schools.

The one-stop window also received requests for the construction of specialized hospitals, investment in the agricultural field, construction of public facilities, such as transmission strengthening networks of mobile phones, power plants, and construction of buildings, shops, small workshops, and stores and filling stations.

#### **Commercial sector**

The cost of new commercial projects is OMR 22,400,000, most notably Al-So'od International School at a cost of OMR 6,500,000, Duqm Mall with an estimated investment of about OMR 4,000,000, a 4-star hotel, and project workers' accommodation implemented by Duqm Renaissance Company OMR 5,000,000. Namaa Duqm Real Estate Company intends to establish a mall at a cost of OMR 5,000,000.

The total number of commercial projects that signed land usufruct agreements in 2016 were 14.



Tourism project  
implemented by "Aqar"  
in Duqm

# New investments reflect investment climate in Oman and establish a modern integrated services city



In 2016, the Special Economic Zone in Duqm attracted more local and international investments. Statistics prepared by Duqm Economist indicate that the total new investments amounted to about (OMR 5 billion), which is equivalent to USD 13 billion, including USD 10.7 billion in the Sino-Oman Industrial City in Duqm and about OMR 900,000,000 in a variety of investments in industry, tourism, trade, real estate development, education, logistics and other sectors.

These investments reflect the positive investment climate that characterize the Sultanate and the efforts made by SEZAD to

attract local and international companies to invest in SEZD.

The year 2016 witnessed signing more land usufruct agreements with companies from the Sultanate and abroad. Through these agreements signed with investors from within and outside the Sultanate, SEZAD seeks to diversify its investments to include the various sectors that make up SEZD comprehensive plan leading to the establishment of a modern city with integrated services.

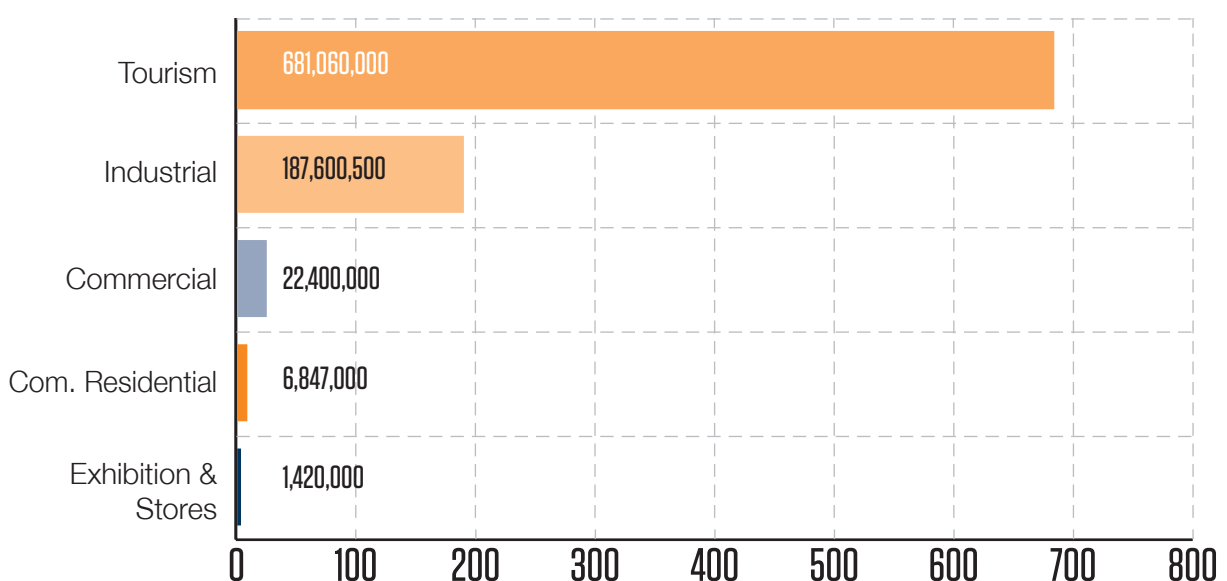
## Chinese investment

According to data prepared by the Duqm

**China to invest USD 10.7 billion to create an industrial city with 35 projects**

## VALUE OF NEW INVESTMENTS DURING 2016

■ Numbers are in OMR



■ 899,327,500 OMR total investment value

■ In addition to the chinese industrial city investment which is 10.7 billion



**Wan Fang  
Oman is  
the main  
investor  
in the  
Chinese  
project**



Economist, indicate that Sino-Omani Industrial City in Duqm is the most prominent investment attracted in 2016. The Chinese side allocated about USD 10.7 billion for investment in SEZD over the coming years.

Oman Wanfang L.L.C is the main investor in the project on a total area of about 1172 hectares, i.e. 11.7 square kilometers. This area shall have three main categories. The first will be on an area of approximately divisible 870 hectares and will be for heavy industries and areas of medium, light, and mixed use. Wanfang will allocate this land under sub-usufruct agreements awarded to other Chinese investors and companies. Wanfang will be responsible for operation and maintenance of infrastructure erected on site unless applicable laws in force in the Sultanate require otherwise.

SEZAD and Wanfang Oman agreed on the minimum development requirements undertaken by the company and imple-

mentation phases, which will include the development of infrastructure facilities and establishment of a number of end-user projects. The company will also assume the role of the site owner or director towards the end-user and tenants of indivisible plots.

The second category will be on an indivisible area of about 10 hectares allocated for a 5-star tourism project. The third category will be on an area of about 292 hectares allocated for an oil refinery with a capacity of 230 thousand barrels per day and a petrochemical industries complex.

The agreements stipulate that Wanfang Oman Company would develop at least 30% of the indivisible land within 5 years. They also state the need to embark on the construction of the projects in the indivisible area (tourism complex) within two years of signing the agreement and completion of the project within 4 years from the signing of the agreement or the return

**Allocation  
of 1172  
hectares  
for chinese  
investment**



Chinese investments in  
light industries area





Façade of I-So'od International School

of land to SEZAD. As for the oil refinery, if the company does not obtain the necessary permits and approvals, it should develop the allocated site for the construction of a petrochemical complex.

Wanfong Oman Company requested the construction of housing facilities to accommodate about 25 thousand people supposed to live and work in SEZD, whereas the total required number of staff is about 11,400 until 2022 excluding the construction labor.

The total number of projects in the Sino-Omani Industrial City in Duqm shall be about 35, including 12 projects in the field of heavy industries, 12 in the light industrial area, 8 in the mixed-use area in addition to the oil refinery and tourist project.

#### **Car assembly plant**

In 2016, SEZAD attracted a plant to assemble cars with Omani-Qatari partnership through Oman Investment Fund, which owns 30% of the project and Karwa Motors, which owns 70%, with an estimated investment of OMR 160,000,000.

Under the usufruct agreement, SEZAD allocated about one million square meters of land in the medium industries area to the plant whose capacity will be about 2,000 units annually of various types of large and small buses, school buses, trucks, cars and other vehicles. The term

of the usufruct agreement is 25 years subject to renewal.

#### **International School**

The year 2016 also witnessed signing several other agreements, including a usufruct agreement with Al-Tamman Holding Company, which plans to construct an international school expected to open in September 2018. The establishment of the school is in line with SEZAD vision to convert Duqm to the city able to meet the aspirations and needs of its population and become a suitable place to live, stay and work.

The new educational institution, called "Al-So'od International School Duqm" aims to provide IGCSE-based international education programs and target Omani and expatriate citizens to ensure a good mix in the school established as a global school that focuses on all academic aspects of social services on an area of 15 thousand square meters.

#### **Jobs opportunities**

These projects are expected to provide, upon completion, many job opportunities. Based on the estimates prepared by Duqm Economist, the expected job opportunities would exceed 17,700, both direct and indirect, including about 11,400 jobs in the Sino-Omani Industrial City.

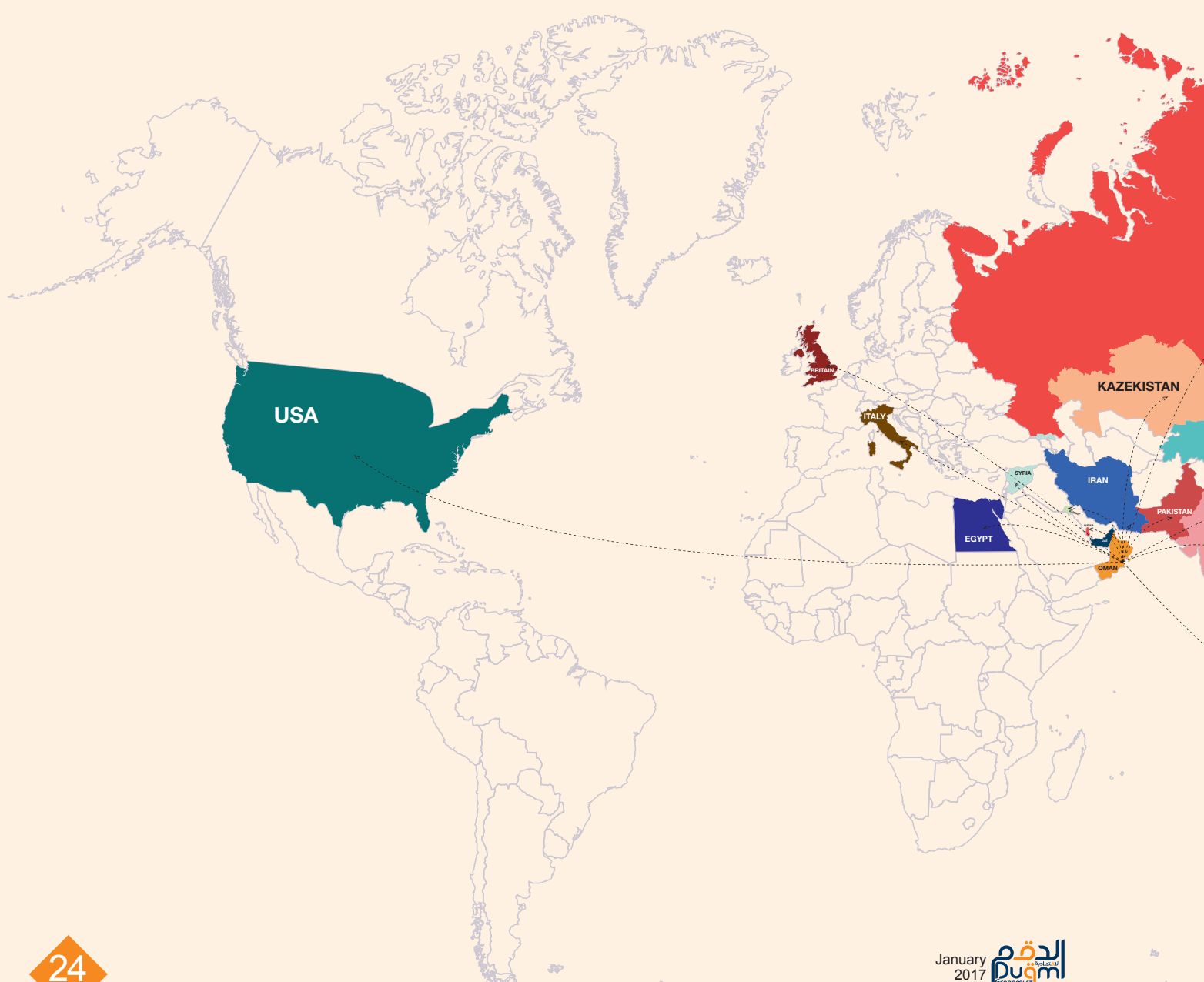


**Qatari-Omani investments of OMR 160 million to establish a car assembly plant**

**Construction of an international school to open in September of 2018**

**Expected direct or indirect job opportunities exceed 17,700**

# 16 nationalities invest in Duqm



SEZD has been receiving local and international attention and managed after five years ago of inception to attract a variety of investments from the Sultanate and many countries of the world.

The number of nationalities that invest in Duqm is 16 spread over various continents of the world. SEZAD tries to establish a harmonious multi-cultural society. SEZAD also seeks through the infrastructure projects it implements and the usufruct agreements it signs to keep up with the aspirations of the new society in Duqm in terms of services they need.

In addition to the heavy industry projects, SEZAD has called upon investors to implement educational, health, tourism, leisure, and commercial projects as part of its quest to make Duqm a modern city that have the various services that encourage people to stay and work there.

The investors' interest in SEZD is due to its characteristics in terms of the unique geographical location on the Arabian Sea, overlooking the Indian Ocean, vast area up to 2000 square kilometers, and diversity of investment fields between industrial, commercial, tourism, residential, and logistics services. Add to this provision of the various services to investors through the one-stop window, which is the investment gateway in Duqm and the speedy completion of transactions and the facilities provided for the labor required

in SEZD project. Moreover, there is the security and political stability enjoyed by the Sultanate and its excellent commercial and political relations with various world countries. There is also the ease of linking SEZD with the local, GCC and global markets either through Duqm Port or Airport or land transportation network lines that connect Duqm with various governorates of the Sultanate and then to the other GCC countries.

#### Local and foreign partnerships

SEZAD also offers a package of benefits and tax incentives for investors, including exemption from income tax for thirty calendar years from the start of activity subject to renewal and exemption of imported goods from outside the Sultanate goods to SEZD and exported goods from SEZD to the outside from the customs tax. It is also permissible for the capital of the project to be wholly owned by non-Omanis. Add to this exemption from the minimum capital invested in the project and exemption from any restrictions on bringing, trading and transfer of foreign currencies, including transfer of capital and profits outside SEZD. SEZAD grants the investors land usufruct contracts up to only fifty years, subject to renewal.

These benefits have prompted many local and foreign companies to invest in SEZD and 2016 witnessed the establishment of numerous partnerships between investors from the Sultanate and abroad.



## Multinationals Invested in DUQM

- OMAN 
- AUSTRALIA 
- IRAN 
- ITALY 
- BRITAIN 
- INDIA 
- EGYPT 
- PAKISTAN 
- KUWAIT 
- USA 
- SYRIA 
- KAZEKISTAN 
- RUSSIA 
- UAE 
- QATAR 
- CHINA 

*The project includes the construction of 4 star hotel & a commercial mall*

# Wsl Investment invest more than 4 million Omani rials for “Duqm Mall”

**Company confirms its efforts to attract global brands**



## Muscat - :

The Special Economic Zone in Duqm awarded the usufruct rights to Wsl Investment and Development Co., to construct a hotel and a commercial center denominated “Duqm Mall and Hotel” with a total investment of almost 4 million Omani rials.

The agreement was signed by H.E. Yahya bin Said bin Abdullah al Jabri - Chairman of Duqm Special Economic Zone Authority (SEZAD) and Alsayyed. Abdullah bin Badr Al Busaidi – Chief Executive Office of the company.

The signing of this agreement comes as a part of the Authority's plan to encourage Omani local companies to invest in the Special Economic Zone in Duqm and benefit from the available opportunities, incentives and facilities offered by the Authority to the investors. It also comes as a part of the Authority's plan to develop the Zone with the aim of transforming it to an ideal location to live and work.

The Duqm Mall will consist of a hypermarket, an integrated playing area, bowling alley, international restaurants and other facilities, most importantly a park in the mall's center which will be constructed in a way to permit the visitor to enjoy the atmosphere of Duqm.

The Duqm Hotel will be designed in a modern way that will reflect the vision of Wsl Investment and Development Company to establish touristic facilities characterized by their

elegance, simplicity and sophistication. The 4-stars to be hotel will consist of 323 room and suit, in addition to restaurants, international commercial brands, a swimming pool, a gym and many other facilities.

The project will be constructed in the modern city center in the Wilayat of Duqm over an area of almost 10 thousand square meters. It will create 100 job opportunity and it is expected to be operational in 2019.

Wsl Investment and Development Company expressed its happiness for signing the usufruct agreement with the Duqm Special Economic Zone Authority, pointing out that it is looking forward to be among the first Omani companies that contribute to the making of the new future of Duqm.

The company declared in a press release that it shares the vision of Duqm Special Economic Zone Authority to attract local and international investment which will transform the zone in one of the most visited international destinations by tourists and investors, explaining that it ensures to attract a number of international commercial brands to offer their products and services within the new project.

Wsl Investment and Development Company is one of the Omani companies working in the touristic and real estate sector. It was established in 2005, noting that Salalah Water Park Project is one of the most important projects being executed by the company currently.

**“Duqm Mall” Hotel reflects Company's vision for the construction of elegant, simple, and sophisticated tourist facilities**





# الدقم Duqm

هيئة المنطقة الاقتصادية الخاصة  
Special Economic Zone Authority

Sultanate of Oman

سلطنة عُمان



## One-Stop Shop

Your Gate to Investment at SEZAD

One-stop Shop is the department concerned with registering investors and issuing required different licenses, permits and approvals. One-stop Shop provides the following services:

Issuing  
manpower  
permits

Preparing  
usufruct and  
development  
agreements

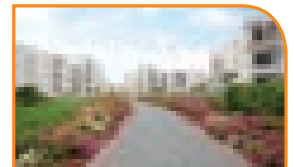
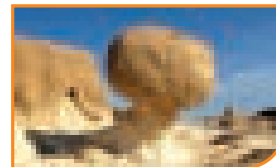
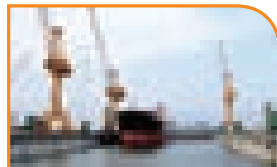
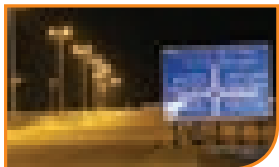
Providing  
all types of  
visa-related  
services

Completing rent  
contracts and  
regulating the  
relation between  
the owners of the  
property and the  
tenants

Issuing  
municipal  
license and  
construction  
licenses

Commercial,  
industrial,  
tourism and  
environmental  
registration

Preparing  
technical  
reports and  
issuing  
approvals



### Special Economic Zone Authority at Duqm

Phone: +968 24507500

Fax: +968 24587400

P.O. Box 25, Postal Code 103, Bareeq Al Shatti

Email: [info@duqm.gov.om](mailto:info@duqm.gov.om)

Website: [www.duqm.gov.om](http://www.duqm.gov.om)



# Industrial development and seaports...

## International experience and lessons learned...

There is no doubt that the degree of competing among imported goods in the movement of international trade through sea ports is governed by a number of factors which basically include the costs of transportation and distribution; these costs consist of: the cost of transportation process, the cost of transportation time, the importance of the time factor in the delivery of goods, the safety of goods. Each of these factors has its own importance and weigh that differs, as a part of the whole, depending on the goods' type, quality, degree, country of origin, costs and objective market.

In order to enable the exporter to maintain the competitiveness of his goods in international markets, he should reduce costs to its minimum level, and only after reaching this level he will be able to establish a convenient profit margin and at the same time maintain the competitiveness of his goods in front of the competitors goods by fixing a competitive price that could attract customers and achieve a high level of international sales, hence increase profit. Consequently, missing a sell opportunity as a result of delays in production or transportation highlights the importance of the delicate production processes system with the aim of achieving a good service of high quality and low costs.

The transportation time for instance is a very important factor as a part of the structure of transportation and distribution cost, taking into consideration the time cost factor. For example, if we have a container that carries 800 car door, each weighs 15 kilograms and supposing that it has a value of 6,000 dollars and the daily storage cost is of 16 dollars and the market interest rate is of 15%: then any saving in the transportation time will result in reducing the total cost of the sold goods. And this might be achieved through increasing the frequency and velocity of transportation and decreasing the time lost between each stage of the process. Another important factor is the storage cost of goods. Businessmen prefer procedures that allow them to supply and deliver their needs of inputs and materials just in time and integrate them in the production process in the right time. So under these conditions, the time factor is extremely important. Taking the previous example, if the container did not arrive on time hence these doors needed to manufacture 200 cars will not be assembled and delivered on time, consequently another kind of problems will arise, but those would be related to the credibility of the manufacturing company and respecting

its commitments as well as problems resulting from demurrage due to the failure of delivering the product on time. Supposing that each car has a value of 10,000 dollars, so the value of this container is actually 200 times the 10,000 (almost 2 million dollars), and the daily loses resulting from delivery delays for this container will be of almost 550 dollars daily. Moreover, the production cycle might be interrupted causing huge costs, disabled labour, idle capacities, stopped machineries and equipment, etc. Hence, any industry that works under an accurate Just in Time Production Chain cannot withstand these delays in supply and delivery. A study of price competitiveness in international commerce illustrates that the customer might be willing to pay a more expensive price for the desired goods in exchange of receiving them in a shorter period of time and higher credibility in delivery timing.

Within the economic environment in the port all parties in the port are connected directly or indirectly, those include: import & export companies, industrial and manufacturing companies, navigation companies, agents, multimodal international transport operators, land transport & railway companies, and others of companies connected in correlative relationship with the port. Through this relationship, the port can try to maximize the value of the offered activities to customers and users, and on the other hand those can maximize the value of their activities and profits when the production of the port increases and the cost of its offered services decreases, and thus enable the port to achieve a competitive position in quality and cost.

### Ports' generations

Based on the above, the ports can be divided in three generations:

The first generation of ports:

In the sixties of the last century, ports were considered as the joining point between marine and land transportations. The port's main functions were to handle cargos of every type and store them in big warehouses, in addition to maritime assistance services. All governmental policies along with the existed legislations and ports' federations were working together within a framework to achieve these objectives. Ports were characterized by their intensive labor which made ports labor unions among the strongest unions and it had influential power on the policies applied in ports.

The second generation of ports:

This generation of ports started to appear

in the period between 1960 and 1980 in ports basically funded by public bodies, organizations, institutions and departments. And in light that some services were provided by specialized companies, ports' activities expanded to include filling of goods in small containers, packaging and arranging them. It also included distribution. Activities inside ports were linked with others, and those activities were connected more closely due to the relationship between goods owners and transportation agents.

The third generation of ports:

The ports of this generation started to emerge in parallel with the increased interest in transporting containers in addition to the integration between different means of transportation (land/ marine). In this period, the connection between production and transport has been integrated in the framework of a comprehensive international network. Basic functions developed to include logistic and distribution services which created the need for horizontal and vertical expansion along with extensions in ports' areas to include larger sites. Pollution issues have appeared along with the importance of integrating all these activities, which converted the port to a vital center in the economic development of its surrounding area. The importance of compatibility with organizations of civil community appeared. Competitiveness appeared between different ports which created the interest in promoting services. Thus, in the context of relevance between these ports with the economic activities of its surroundings, particularly the industrial activity, a number of global models of industrial companies have appeared, who have benefited from logistic services of sea ports.

### The Logistic Center in Rotterdam

NIKE Inc. depends on delivering its products to European customers on three models of direct supply chain: from factory to customer (a container per customer), from factory to customer through a distribution center (a container per several customers), and from factory to customer through a logistic center in "Laakdal". As per the model, the supply chain is executed by sending the goods from factories in Asia (Vietnam and China). Afterwards it heads to gathering locations and then is sent to the shipping port. It is unloaded in Rotterdam ports and eventually is sent to "Laakdal" as a logistic center where most of the added value activities of assembling the shoes and distributing them, take place. Among the added value activ-



ities we include:

- Quality control
- Inspecting and monitoring
- Labeling of the products
- Applying security cards
- Labeling packs and boxes
- Sorting packs and boxes
- Final gathering
- Sending goods off company's warehouses upon customers' orders
- Modifying the products or its pack upon customers' orders.

As per to the wholesale customers, they prefer to receive their products directly from the logistic center in "Laakdal" prior to product packaging. The added value activities might also take place in the manufacturing or exporting country. For example, one of the factories located in Vietnam has a separated production line for customized shoes.

As a result of the above, the criteria of selecting a location for the industrial project near sea ports include that: the warehouse would be located closer to the customer and what result in fulfilling and meeting the customer demands, reducing the time gap between buying and selling, obtaining possibilities and facilities related with the flow of products, components and productions requirements between different locations, agreements with customers, quality of offered services, experience and productivity of labor force and infrastructure facilities in the geographical zone of the port. It should be noted that the basic selection criteria for added value locations is the closeness to customers and markets, whereas cost, quality, price and efficiency of transport, all come in the second place.

#### **The Logistic Center in North Carolina**

We should note the applied case of establishing a cars assembly factory in the Logistic Area of North Carolina in the United States of America. Despite the abundance of distinctive locations to establish industrial and assembly activities in all parts of the United States and the validity of these locations in technical, economic, administrative, organizational and marketing aspects, but the decision of establishing the cars assembly factory in the mentioned logistic area is based upon several factors.

Analysis shows that financial feasibility study and location economics of different industries in different locations prove that this site is estimated to achieve 31% savings in total production cost, which is a largely higher rate than any other locations. This comes in addition to the availability of infrastructure elements for indus-

trial, assembly and logistic activity as the area provides energy, water, sewage and communications infrastructure. Thus, the privilege of the Logistic Center in North Carolina was due to its connection with the main roads network along the eastern coast of the United States and its connection with the American railway.

The Logistic center area is located in the economic support range of the ports of New York and New Jersey, the United States' biggest ports on the Atlantic Ocean, and is connected with navigational lines from and to the rest of the world. The logistic center where the assembly factory is planned to be constructed, is located relatively closer to establishments and manufacturing factories of cars components, essential to assemble a car and bring it to its final shape. That is why the logistic center, as per the American statistics, has witnessed the fastest growth rate on the United States' level. The area is also considered among the best in aspects of purchasing power and consuming tendencies, which made it an excellent market for manufactured cars and spare parts of these cars; as well as after sale services due to the availability of experienced labor which was trained academically in the existed institutions and scientific establishments that work on training and preparing qualified labor to serve the industrial activity.

The logistic center also offers accommodation with affordable prices for workers and decent standard of living. The logistic center is also located closer to universities, colleges and institutions of research and practice to prepare scientific and applied research and prepare engineering designs in the industrial field generally and in the cars industry particularly.

Moreover, the logistic center is located on 2-days truck drive from the rest of the United States; it is one of the biggest consuming markets in the world in aspects of the purchasing power, expansion and contrast in the level and type of the demand. Closer to the logistic center where the cars assembly factory will be established, there is a complete range of production and financial activities for medium and heavy industry, this fact facilitates the provision of the needed components and elements to perform the logistic activities.

The State of Carolina enjoys attractive legislations and what they offer of tax incentives and procedural and administrative facilities, which improve the investment environment and attract industries. The logistic center is located in North Carolina, one of the biggest air freight centers in the United States. The moderate

temperature also offers an advantage for businesses inside the logistic center. The State also enjoys a security and low crime rates, which has contributed largely in the success of the logistic center and attract activities and services. And finally, the low cost of living in the area is 6% lower than 300 other American cities.

The Logistic Center in Princeton

We include a practical example for choosing Toyota Global Company for the Logistic Center of Princeton nearby London, to establish a cars assembly factory with a capacity of 200,000 cars a year. The English Government expressed its willingness to assist in the establishment of this factory and provide all assistance and facilitates, hence:

- London is considered as the biggest market for new manufactured cars in the United Kingdom.
- Low cost of labor with high productivity levels.
- A terrain of 100 hectares assigned to establish the cars assembly factory.
- Abundance of opportunities and possibility for horizontal expansion.
- The existence of fields and farms on 8-kilometers distance, offers a biological space for the factory.
- The closeness of the area to all the central and vital roads to the rest of the United Kingdom.
- The availability of non-contracted labor, and its low cost
- The Local Council invested about 20 million dollars to develop the infrastructure.
- The low cost of energy and electricity for the industrial projects in the area.
- The existence of vase space to inspect new cars.

The economic impacts for establishing the new factory:

- Creating 3,000 jobs for the residence of the area.
- Creating 2,730 jobs during the construction and building of the new factories.
- The constructing of this factory in the area will increase the spending on accommodation, stores and restaurants.
- Constructing new roads and develop public transportation near the factory.
- Suppliers of Toyota have moved to the new area and created almost 3,000 new jobs.
- Constructing about 4,700 new houses to accommodate the new labor coming to the area.





SEZAD Chairperson  
(center) with  
company officials

# SEZAD Signs a Usufruct Agreement with Duqm Smart Business Company

**Development of Smart Office Constructed from Shipping Containers Refurbished at Duqm Special Economic Zone**

**Maurizio Monte: pursuing local procurement philosophy**

Duqm - :

Duqm Special Zone Authority and Duqm Smart Business Company signed a Usufruct Agreement to develop a smart office facility constructed from shipping containers refurbished at the Duqm Special Zone Authority.

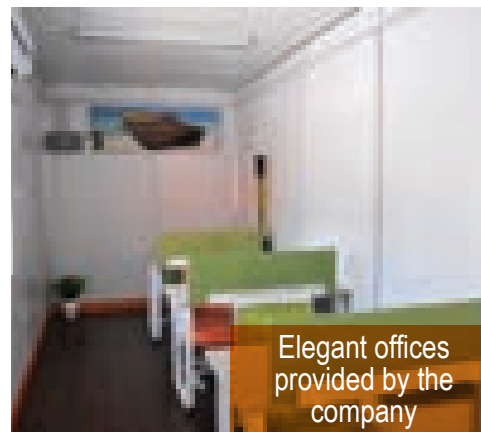
The agreement was inked for Duqm Special Economic Zone Authority by Chairman of the Board; His Excellency Yahya Bin Said Bin Abdullah Al Jabri and for Duqm Smart Business LLC by Mr. Maurizio Monte, Founding Director.

Pursuant to the agreement, Duqm Smart Business LLC will develop the project on the land allocated by Duqm Special Economic Zone Authority. The first phase of the project will provide 12 smart offices for shared usage by SMEs companies and startups in Duqm.

The new smart office facility provides startups and small companies with a launch pad before moving to larger facilities in other parts of the Duqm Special Economic Zone.

His Excellency Yahya Bin Said Bin Abdullah Al Jabri hailed the abundance of investment opportunities and benefits available at the Duqm Special Economic Zone, and the pioneering example of Duqm Smart Business Company in facilitating business startups and enhancing the business product of the Zone.

For his part, Mr. Maurizio Monte said architects



Elegant offices provided by the company

and designers from all over the world are embracing the innovative use of these containers. This is an ideal solution for our project in Duqm. The Duqm smart office will be constructed using refurbished freight containers and recycled materials whenever possible. We will also adopt a "local purchasing" philosophy to procure our needs from the local suppliers in Duqm. "

It is worth mentioning that Duqm Smart Business Company was recently setup to provide real estate and marketing support services to companies and business people coming to Duqm.



Convenient outdoor spaces

*Safana Al-Barwani, Real Estate Development Manager in MUSSTIR.*

# Duqm is a successful project and we started investing there since 2009



## **Muscat – Mohammed bin Ahmed Al-Shizawi:**

“Duqm has changed a lot in the last five years” that is how the beautiful young lady Safana Al-Barwani - Real Estate Development Manager in MUSSTIR, started her statement with the Duqm Economist. She talked about the difficulty to reach Duqm when the company started its first project there. Cars were the only mean of transportation that can reach the city, which only had one hotel then, till the inauguration of the City Hotel at the end of 2012. And despite starting direct flights from Muscat International Airport to the Jalouni Airport located on one hour drive from the city center of Duqm on November 2012, but she thinks that the frequency of those flights was very limited, with a rate of 3 trips a week, which obliged her to go back to Muscat in car.

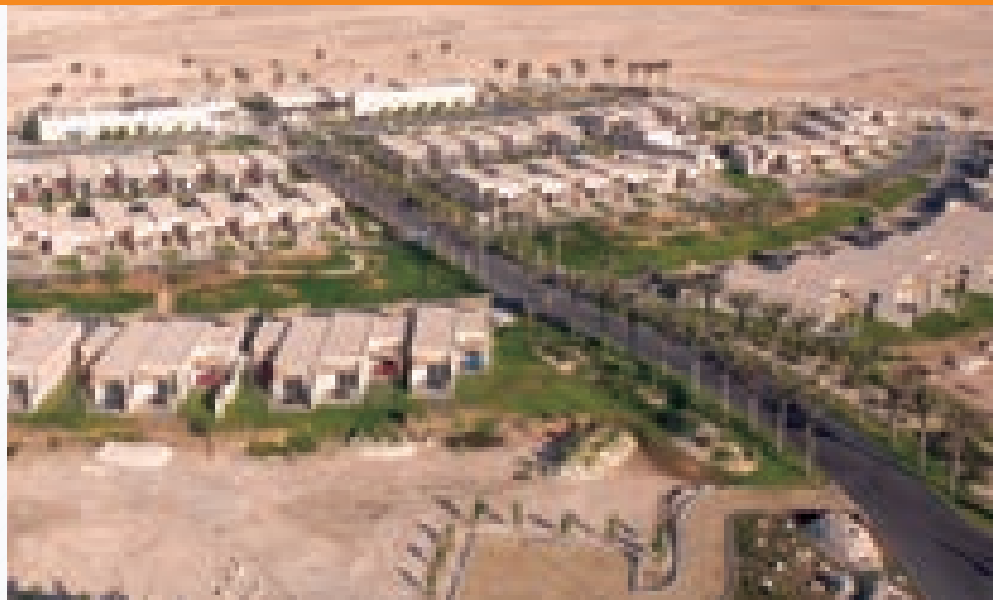
The soft launching of the Duqm Airport in 2014 and in the inauguration of 3 hotels and the construction of several modern roads – according to Sfana Al-Barwani – was a huge step that contributed in reducing the distance between the two cities and encouraging investors to go to Duqm continuously with an increase in the frequency of flights to be 4 trips a week, and providing bigger airplanes with a higher capacity.



**MUSSTIR**  
is the first  
private  
company  
to invest in  
the Special  
Economic  
Zone in  
Duqm

**Duqm is  
growing and  
flourishing...  
and the  
second  
phase  
concentrates  
on facilities  
that can meet  
the market's  
requirements.**

**Giving atten-  
tion to ma-  
rine hobbies  
identities and  
adding en-  
tertainment  
facilities for  
kids... in  
the second  
phase**



#### **The first private company to invest in Duqm**

The conversation with Safana Al-Barwani has touched various issues regarding the development of the touristic sector and the investment of MUSSTIR inside and outside the Sultanate. During the interview, she expressed her pride that MUSSTIR was the first private company to invest in the Special Economic Zone in Duqm when she constructed Duqm Park Inn Hotel & Resort, which was officially inaugurated in January 2015. Considering that this company which is specialized in touristic investment and was established in 2006 as one of the companies of Mohammed Al-Barwani Holding Group, was able during 10 years to achieve many successes.

#### **A successful project**

When she was asked: what pushed you to invest in Duqm in that early stage? She got back to 2009 when the company signed a usufruct rights agreement with the Ministry of Tourism and that took place prior to the establishment of the Duqm Special Economic Zone Authority in 2011, and she said: "we evaluated that the potentials of Duqm make the city a successful project. And we knew that constructing a hotel there will take years, and during that period the number of residents and tourists will increase along with the growth in the port's commercial activities".

During that period, the Duqm port and dry dock were the biggest projects in Duqm and there were no plans for a refinery or a petro-

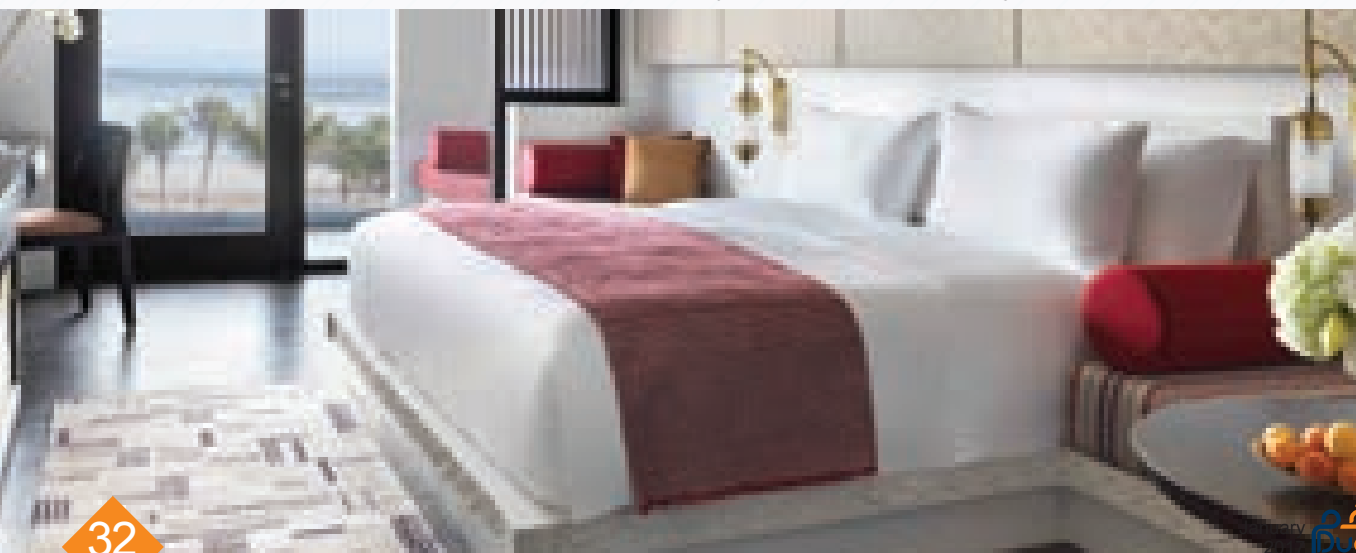
chemical complex or a Chinese industrial city. Also, there were not tax incentives or tariff exemptions that appeared after the establishment of the Duqm Special Economic Zone Authority. Despite all that, MUSSTIR invested in Duqm convinced, according to Safana Al-Barwani, of the feasibility of investing in the zone which is located on 550 kilometers' distance from Muscat.

#### **Success and development**

Safana Al-Barwani sees today that the Duqm Park Inn Hotel & Resort is growing and flourishing and attracting more visitors. This success encouraged the company to develop a second phase during a period after 5 or 6 years, as per the performance achieved by the first stage.

She says that the second phase will be constructed in parallel with the growth of the Special Economic Zone in Duqm, in the number of projects and investors and visitors. That is why the second phase will focus on patterns and facilities that can meet the market's requirements. And she adds: for instance, there will be hotel apartments for longer accommodations and hotel rooms and different sport facilities, particularly these related to marine sports like diving, fishing and others, in addition to an entertainment facilities for kids.

She continues saying: the positive encouraging factors to invest in the Special Economic Zone in Duqm are numerous, most distinctively: the availability of huge areas to execute and develop projects, tax exemptions, easiness to





work with competent authorities. And she expressed her happiness in regard to this final point considering that it is extremely positive.

#### **Facilitating procedures**

But she remembered the sufferings of executing other projects outside the Special Economic Zone, saying: “constructing a hotel today requires more than 20 permit that requires more time than constructing the hotel itself”. And despite this note, she gets back to the conversation with a smile and says: I expect that all these challenges will disappear and all different public entities will be working under one roof.

#### **Developing the touristic sector**

Duqm Park Inn Hotel and Resort is not the only project of MUSSTIR. This subject made Safana Al-Barwani - the Real Estate Development Manager in MUSSTIR, talk about her perspectives for developing the touristic sector which is considered as one of the five principal sectors in the current Five-Year plan of Oman, which will be finishing in the year 2020. Within this frame, she assures that this sector is a promising one and has growing potentials, saying: “more projects will animate the local economy”.

#### **Partnership between public and private sectors**

At the same time, she highlights the importance of the partnership between the public

and private sectors, explaining that “the private sector works closely and side by side with the government”. Her example was Anantara Resort Project in Salalah – Al-Baleed, which was inaugurated at the end of last years, saying: the project we constructed in Salalah is a good example for the partnership between private and public sector. The government provided the land and we funded the project 100%. And now we are equal partners.

#### **Diversified projects**

During the conversation, Safana Al-Barwani listed other projects of the company, saying: In Jebel Sifah we are currently preparing the technical designs of a 5-stars hotel & apartments and we are expecting to start the construction works during the upcoming year of 2017. In Bandar Al-Khiran we will construct a Boutique Hotel in collaboration with LVMH Company. The project is in the final designs phase and we expect to start working in 2017 as well. We also possess 50% in Anantara Resort Salalah in Al-Baleed as I stated earlier, we also have 60% of Ubar Company which has Muscat Park Inn Hotel and Golden Tulip Nizwa, and outside Oman we have Essque Zulu in Zanzibar, which is a 5-stars hotel.

And before the end she was asked of the challenges facing the touristic sector, she replied: “the biggest challenge is to get permits and also the refusal of the majority, particularly women, to work in hotels or in the tourism sector in general”.

**tourism will be a promising sector and so facilitating procedures is a key need to succeed**

**More touristic projects will animate the local economy**

**Executing two projects in Jebel Sifah and Bandar Al-Khiran in 2017**





# Signing an agreement to construct Duqm Sea Port Company

100 million Omani Rials is the value of the expected contracts for the new company during the upcoming ten years

## Duqm -

Oman Drydock Company and the UK Babcock International Group, in November 2016, signed an agreement to construct Duqm Sea Port Company, with the objective of enhancing the marine capabilities at the Port of Duqm and to offer engineering services of highest international quality.

The new company will handle maintaining contracts of fleet ships with a value of more than 100 million Omani Rials during the upcoming ten years.

The agreement was signed on behalf of Oman Drydock Company by His Excellency Sheikh Dr. Abdulmalik bin Abdullah Al- Hina'ei, Advisor in the Ministry of Finance and Chairman of company, and on behalf of Babcock International Group by Mr. John Howie – Divisional Chief Executive of the company.

H.E. Liam Fox - the UK Secretary of State for International Trade, has stated that the trade routes across the gulf are some of the oldest in the world. We share Oman's commitment to open and free trade, and assuring the United Kingdom's commitment in supporting and developing the Port of Duqm and to transform it into a strategic port which will lead to creating job opportunities in this field and guarantee business, pointing out that this project will contribute to the enhancement of the marine capabilities of both countries.

## Maintaining fleet ships

From his part, His Excellency Sheikh Dr. Abdulmalik bin Abdullah Al- Hina'ei – Chairman of Oman Drydock Company, stated that the purpose of establishing this company is to maintain the operating fleet ships, explaining that this is considered as a new addition to Oman Drydock Company, and pointing out that the company was handling these works before but now it will possess more capabilities to maintain different kind of large ships.

His Excellency added in a press release that the investment value in fleet ships maintenance and other new works is of 20 million dollars offered by Babcock International Group throughout the life of the project and it also offers a loan of about 5 million dollars to operate Duqm Sea Port Company.

His Excellency explained that Oman Drydock Company owns 51% of the Duqm Sea Port Company while Babcock International Group owns 49%, pointing out that this company will contribute in creating a positive return to the national economy and providing job opportunities for Omani youth and for suppliers.

## Strategic location for International Naval Forces

His Excellency Jon Wilks – the Ambassador of the United Kingdom to Oman, praised



the location of the Special Economic Zone in Duqm considering it to be a strategic location for International Naval Forces and for international trade as well, pointing out that this agreement enhance the economic and commercial relationships between both countries and expecting that this project will attract naval ships, investors and businessmen from the United Kingdom.

John Howie – Divisional Chief Executive of Babcock International Group explained that the company has worked closely with Oman Drydock Company during the last period on the planning phase and currently is moving quickly towards the operation phase, assuring the commitment of the company to enhance the marine engineering and capabilities of the Port of Duqm, particularly under the available support needed for this cooperation from governments of both countries.

#### **Maintaining warships**

Dr. Ahmed bin Mohammed Al-Abri – Vice Executive President of Oman Drydock Company, stated that the operation on the new company is the first of its kind in the gulf region to be specialized in defense, such as maintaining warships, and pointing out that it is based on three phases: in

the beginning it will concentrate on simple works then it will move to specialized technical aspects and later to maintain warships based on the highest standards.

He pointed out that during the upcoming period of time they will organize field visits to related defense organizations in the gulf area, the Arabian Sea and the Indian Ocean to present the company and its services.

It is worth mentioning that Oman Drydock Company and Babcock International Group have signed a Memorandum of Understanding at the beginning of 2016, and they tried hard to adjust the terms of this agreement to better serve Oman Drydock Company from the experience of Babcock International in the area of ships' maintenance.

This project will offer naval maintenance and support services for navies from all over the world, and the first stage will serve to the Royal Navy of Oman, the Coast Guard Police, the British Royal Navy, The Royal Navy, and other navies, in addition to services for local and international ships.

The signing ceremony was attended by His Royal Highness Tareq bin Shabib Al Said – Chairman of Babcock Company Oman and His Excellency Yahya bin Said Al-Jabri – Chairman of SEZAD.



**Enhancing the capabilities of Oman Drydock Company in maintaining operating ships**

**The new company is the first of its kind in the region and is specialized in defense**



## Industry is at risk if managed by the manufacturers solely

Education and Industry are two words said recurrently by anyone who speaks about progress drives. The correlation between the two words is strong so that it is enough to say that education is the basis of progress or industry is the basis of progress to refer to what you want to say. Industry will not progress without education and education will not progress without a plan for economic and industrial progress in general.

The books written about the most successful modernizing and progress experiences in the world have too many experiences about how to develop industry, starting points, role of export and competition and also role of the well planned and timed protectionism in making industrial development. We have known now that Asia in general (although there are some differences in the Korean experiences) upgraded based on interesting in technology and creativity, as simply it was found that it was difficult to prove superior to the advanced countries in the main sciences (chemistry, physics, mathematics and biology) and sciences related to it theoretically and practically. So, Asia has chosen another way for progress and realized genius achievements that make the American administration itself reconsider its educational systems and starts to establish the technological universities to go along with technological advancement in Japan and China.

The most modern experiences referred to a provisional correlation between increasing the use of relative and competitive advantages of the country and its ability at same time to manage successful relationship with the foreign countries in the fields of trade and investment to realize mutual benefits without rashness or injustice. The experience of turkey, although it has its positives and negatives, is very important here. Although turkey bet more than the required degree on collecting and attracting the hot money for financing balance of payments deficit so that it is in a difficult situation now, it realized more progress in fields such as ready-made clothes, paints, designs, leather products, engineering products and house products. These achievements are also exposed to retraction for the reason I said before, necessity of building effective and balanced relationships with the concerned parties and with the international and regional markets.

From time to time, the ministry of industry in Egypt speaks about a strategy for manufacturing which focuses on the chemical industries, clothes, textiles, metal and engineering industries (cars and car parts specifically) and outsourcing. Enthusiasm of the people weakened or about to weaken while they are waiting industrial strategies to be complied with. In 2007, in cooperation with Malaysia and direct dialogue with Mahathir Mohamad himself, Egypt prepared strategy to turn Egypt to a country at the level of the middle countries in the field of industry by 2025. Upon beginning to implement the strategy, the government changed. Then, the revolution took place and everything stopped. The first lesson here is that it is necessary to put an integrated strategy for industrial progress, sponsored by the political authority directly, which observe all international, regional and local dimensions and at the same time be sustainable and its execution is observed through a specific mechanism and clear standards. This strategy must be flexible to meet any accidental changes in markets of goods, raw materials or the imported or exported services. The second lesson which I learned in Egypt and I always point out to it is that existence of a well-planned and strong system for external and internal contracting is important. For example, it isn't possible to establish a factory that depend on basic inputs coming from abroad and make contracts of supplying with these inputs include gaps, discontinuity or defects so that the supplier control the local manufacturer.

As industry, as I indicated in the headline, is too important to be managed by the manufacturers solely, it is necessary to coordinate exactly with the ministry of education for graduating the necessary workers for the present time and for the future, coordinate with the ministry of finance for putting stable, declared and clear tax or non tax and tariff incentives that allow the manufacturer to plan his activities peacefully and improve the digital information system to know

maps of the local consumption of the goods and service and their motions exactly in the world to reach to the smallest details. It is necessary also to know the markets whose imports from those goods increases and the markets whose imports decrease and observe changes in the tastes. I don't forget that president of the Arab Organization for Industrialization said to me one day that Egypt suffer from reduction in designs and there must be qualified youth designers for increasing proportions of producing new designs for all small and big goods equally.

As Sultanate of Oman occupied itself with establishing a huge refinery for refining the oil in Al-Duqm region and petrochemicals complex, I like to speak little about that. Egypt has established the famous "MIDOR" (Middle East Oil Refinery) Laboratory (from the fourth generation and it is still the most modern laboratory in Africa) through an exciting story. The requirement is to engage a specific foreign investor at the beginning for guarantying that technology is obtained. The share of the foreign investor was bought after that, however in high cost. I lived with the experience from different sides. I knew about it more because I knew the previous president of "MIDOR", the respected expert Medhat Yousuf. The most important thing in that matter is providing the kind of the raw material that will be used, methods of transporting this raw material, reverse transport of the light products to be pushed in the pipes, good mixing between the chemical industries needed for generating the highest added value of the treatments as well as fair distribution of the yields of the value among the different industries. It is very important that this industry is established in the Sultanate according to the model of the economic zone of the Al-Duqm Region (MIDOR is a Private Free Zone). The result of the experience is a specialized national school that will have an effect on the industrial progress in general in the whole Sultanate. It is also necessary to take precautions against dangers. Fluctuations in prices of the raw materials and products increased nowadays. It is necessary to activate request- and preparation of – of the local industries from now to use the products that will flow after finishing the refinery and starting of the activity of petrochemicals complex along with exporting to the markets and competing with the others. Once, I went to Milano (Italy) in 2012 to speak in a seminar about the Italian, Egyptian and Turkish cooperation in the Mediterranean countries. As I saw how Turkey and Italy together don't have an oil production and they need much gas and oil, I suggested establishing refinery near Al Salloum based on the Libyan oil, Egyptian experience and markets in turkey and Italy. The idea has started to be talked about in Egypt in 2010 then the talk stopped. May be I was well-meaning or I was aware much. Then, Libya witnessed these current accidents. In another time, one of my friends who works in a Greek company for excavating and discovery in Egypt submitted a suggestion for establishing a refinery by Egyptian money and experience in South Sudan as it is a profitable project from one side and has a good economic and political effects on the relation of Egypt with the South Sudan and relation of South Sudan and North Sudan. The idea still exists. I pointed out to this idea many times in the televised programs to those who are interested. Many years ago, investment mediator from Lebanese origin came to Egypt and promised to establish a 5th generation refinery. A land was really allocated for the project in Kafr El Sheikh Governorate but he failed to market the project as the others failed to market smaller and less modern refinery project in Al Ain Al Sokhna region.

The offer submitted by a well-known Kuwaiti investor to establish a refinery in Al Ain Al Sokhna on the Red Sea was the only offer considered seriously. But this investor withdrawn after the government in Egypt cancelled the legality of making the project as a private free zone in 2008. After that, the project was transformed to Vietnam.

Now, Egypt agreed with Italy to expand MIDOR Laboratory at an amount of 1200 Million Dollars. Egypt has a plan for developing the current refineries. Much of these refineries need to be upgraded immediately. Sober-minded exchange of experiences among the Arab projects for refining as well as coordinating among them increases benefits of the all, as this industry has a good future in our region.



## Duqm Port poised for full commercial operation

# Oman pumps OMR 239.9 million for the completion of the remaining Port phases

### Muscat - :



During 2016, the Special Economic Zone Authority in Duqm (SEZAD) signed three major agreements that prepare Duqm Port for full commercial operation. These agreements relate to the establishment of the second, third and fourth phases of Duqm Port at a total cost of OMR 239,900,000.

On 10 February 2016, SEZAD signed the implementation agreement of the fourth phase of Duqm Port related to the infrastructure of the government pier awarded to the Combined Group Contracting Company, a Kuwaiti public joint-stock company listed in Kuwait Stock Exchange.

On 6 April 2016, SEZAD signed with CGC United Construction Company an implementation agreement of the third phase of Duqm Port for the establishment of commercial terminal of the

commercial wharf. This includes the construction of roads, commercial gate, inspection and testing area, truck registration building, and building a one-stop of the port and building customs, inspection and other parts of the business buildings one-stop window building,, customs building, and other buildings related to the clearance works. The contractor of this phase has an experience that extends for 40 years since its establishment in Kuwait in 1975.

On 14 November 2016, H.E. Yahya bin Said bin Abdullah Al-Jabri, SEZAD Chairperson, signed the implementation agreement of the second phase of Duqm Port. This relates to the works of the commercial pier to accommodate the containers, and construction of buildings and workshops for operating the pier and cranes and service roads in the pier. A coalition of Turkish SERKA Company and Portuguese MSF Company won this project.

  
**Yahya Al-Jabri: Duqm port is one of the most important drivers for the SEZAD to support the strategic economic diversification**  




During signing second phase agreement of Duqm Port



Signing third phase agreement



During signing fourth phase agreement

**Construction of government wharf infrastructure and commercial pier terminal**

**Construction of two terminals for containers and a terminal for bulk liquid material and other uses**

Honcar Adali, Chairperson of SERKA and Thiago Fortunato, Deputy Chairperson of MSF, signed the agreement on behalf of their companies.

Yahya bin Said bin Abdullah Al-Jabri, SEZAD Chairperson, stressed that signing these agreements underlines the government's commitment to complete Duqm Port Project and implement several previously adopted infrastructure projects for SEZD.

«Duqm port is one of the most important drivers for the SEZAD. It is a multifunctional strategic port that aims to support the economic diversification efforts exerted by the Omani government. The port is distinguished by its strategic geographic location close to the international shipping lines, as well as the African and Asian markets. It can also attract various companies due to the quality infrastructure projects it entertains, and the advantages provided by the SEZAD investors at the zone. These advantages contribute into attracting many international lines to the port, as well as developing many commercial and industrial projects. It also promotes the role played by the Sultanate in the logistics sector.» H.E. added.

Al-Jabri hailed the advanced infrastructure entertained by the port. He explained that the total lengths of Duqm Port breakwaters reach about 8.7 km, while the depth of the harbor's basin reaches 18 meters. He pointed out that the length of the access channel to the port is 19 meters, and this enables that the port to receive huge container ships. H.E stated that the port has enough spaces for future expansions, and this enables it to host more than one oil refinery, in addition to many heavy industry and petrochemical projects.

#### Fourth Phase

The cost of the establishment of the fourth phase of Duqm Port related to the government pier is OMR 55,400,000. Its implementation will take 30 months from the date of awarding in addition to 30 days for preparations.

The government quay is the first integrated quay implemented in Omani ports to serve government agencies with a total length of 980 meters allocated to a number of government entities as well as fast ferries. This government quay is one of the most important security facilities at Duqm Port. It will provide readiness to manage logistics operations for these entities and the security aspect of the Port and the entire SEZD.

The targets of the project include the construction of buildings, roads, facilities and utilities necessary for the operation of the government quay.

The project works include extension of electricity, water, telecommunications, and sanitation networks, fire-fighting systems, construction of four pumps and drainage canals of surface water, water tanks, fencing government quay, and construction of main and security gates.

The length of roads implemented at the government quay shall be about 2 km with a width of 7 meters. They include main and internal roads along with road lighting and providing parking for vehicles of all kinds. The project also includes the construction of three helipads.

The project also includes the construction of the buildings of a number of government agencies, housing for staff, administrative offices and logistics areas. It shall also include a building for fast ferry travelers along with the related services and



Combined Group  
Company delegates  
watching the master plan

**Government  
quay is the  
first inte-  
grated dock  
implemented  
in Omani  
ports to serve  
government  
agencies**

facilities, such as waiting halls, stores and public utilities.

### Third Phase

The cost of the establishment of the third phase of Duqm Port is OMR 77,100,000. The relevant agreement provides for the implementation of the project within 36 months from the date of awarding.

The works of Duqm Port's third phase include building 8 km road with various cross sections, the building of all internal access roads to the buildings and car parks, paving the car parking places to serve all the activities, designing, supplying and fixing traffic signal, and building two airstrips for helicopters.

The third phase of Duqm Port includes also the infrastructure works related to construction of potable water network, firefighting network, wastewater network, rain & surface water draining channels, electrical and communication works, lighting the streets and yards, in addition to the fencing works, and erecting sub-gates.

As for buildings, the third phase of Duqm port includes constructing three buildings at the commercial pier area (before the gate, at the gate, and at the inspection and customs area) including exit and access compartments from the gate, the one-stop-shop, pass permits office, and mosque. They will include also buildings specialized for the customs authority, the Ministry of Health, the Ministry of Agriculture and Fisheries, electrical services facilities, and firefighting water tanks.

### Second Phase

The second phase of Duqm Port is one of the most prominent projects at the port. Its signing coincided with the Sultanate's celebrations of Forty-Sixth National Day.

H.E. Yahya bin Said bin Abdullah Al-Jabri, Chairman of SEZAD, expressed his pleasure with the signing of agreement in the midst of the country's celebrations of the forty-sixth National Day. "I am honored to convey to His Majesty Sultan Qaboos bin Said - may Allah protect him – the congratulations on the forty-sixth National Day," Al-Jabri said in a press statement praising the achievement in the Sultanate during the years of the blessed Renaissance and stressing that SEZAD is one of these achievements that aim to realize the welfare of the Omanis.

He explained that the second phase of Duqm Port includes the most important operational facilities for the commercial wharf and it will allow the commercial operation thereof.

The second phase of Duqm Port is one of the most prominent projects at the Port with a cost of OMR 107.3 million. construction period shall be within 30 months from the commencement date in addition to 30 days for preliminaries.

This phase includes the construction of four terminals on the commercial pier, including two for containers of about 1,600 meters long and 350 meters' width to handle about 3.5 million TEUs annually. There shall also be a terminal for dry bulk terminal with a capacity of about 5 million metric tons per year and versatile terminal with a capacity of approximately 800 thousand metric tons per

**Construction  
of four termi-  
nals on the  
commercial  
pier, including  
two for con-  
tainers**



High-level infrastructure  
for commercial quay  
Duqm Port

**Reggy Vermeulen:**  
completion of  
second phase  
prepares  
the Port for  
multi-purpose  
commercial  
operations



year. The second phase also includes construction of the port operations area.

The project will be constructed by the joint venture of Turkish SERKA Company and Portuguese MSF Company, which both expressed their pride to participate in the development of SEZAD through the implementation of the second phase of Duqm Port project. Both companies possess a strong track record of realization of challenging projects in the region and elsewhere in the world.

The two companies have confirmed their commitment to construct the project on time, saying in a joint statement: "Through our journey to become the leading contractor in the Duqm Special Economic Zone that began some 2 years ago, we have understood the importance of Duqm for the economy of Sultanate of Oman. It is apparent that having the port fully operational within the stipulated time will pave the way for new investments and will transform it into a significant economic value instantly. Hence SERKA-MSF Joint Venture is committed to complete and deliver this vital project in a timely and a perfect manner, within budget.

"We believe that the award of this strategic project will enhance our presence in Duqm while enabling us to get involved in other projects in Duqm more competitively and more resourcefully. It is to be noted that whilst executing the Project in coordination with all the stakeholders, we will be implementing the practices that will foster the local contribution giving a particular essence on the concept of In-Country Value that would also accommodate SME's and Omanization. Our team is well aware of its responsibility to the Omani community and we will come up with sound and sustainable practices."

Under the agreement, SERKA-MSF Joint Venture will establish a number of buildings in the operation area, commercial terminal, dry bulk terminal, and container terminal. There shall also be a two-way road of 3 km along with internal roads.

They shall also supply and install traffic lights and parking lots for the commercial terminal, portable water connections, firefighting systems, water pumping stations, street lighting, and infrastructure for communications services and work on improving the ground, supply and installation of two types of highly secured fences and many other works.

#### Commercial Operations

Reggy Vermeulen, Chief Executive Officer of Port of Duqm Company stated that the signing of the IP2 contract with Serka Taahhut Insaat, to build the infrastructure of the commercial quay at the Port of Duqm, is a major mile stones of Port of Duqm's development.

The phase includes the construction of roads and the development of a port operation zone. This contract has been awaited for and is referred to as Infrastructure Phase 2 (IP2), which will help creating a complete infrastructure for the dedicated terminals to handle container, break-bulk and dry-bulk cargo at the port of Duqm. Upon completion, around late 2019 early 2020, it will allow the Port of Duqm to make the transition from the present early operations phase to full-fledged commercial operations.

"I sincerely thank the government of Sultanate of Oman represented by the Special Economic Zone Authority A'Duqm and other authorities for their efforts in achieving this important project of our ports development" said Mr. Vermeulen.

**SERKA-MSF:**  
full operation  
of Port in time  
paves the  
way for new  
investments

Duqm Port: strategic port  
with enough spaces for  
future expansions

# Duqm Port signs rental agreements in the industrial zone



## Duqm - :

Port of Duqm Company SAOC signed agreements with Oman Engineering LLC (OEL), and Galfar Engineering and Contracting SAOG (GES) for a 25-year land lease agreement for a total of 10.5ha plots in the Port of Duqm concession area. It is an important milestone in the further development of the activities of the companies. For Port of Duqm, these agreements are very important as such companies will bring substantial amount of expertise and services in a numerous fields which can help also other investors in the Port and the wider Duqm area.

Oman Engineering LLC is a 100% individual investor as a chairman with company construct, maintain, and operate grass root and / or revamp Oil and Gas plant, power plant and engineering oriented environmental plant in the Sultanate of Oman. In 2016, OEL delivered new equipment such as Trencher covering grading work together and addressed many Local Companies, European companies and Korean companies as well. OEL facilities comprise of about new pipe fabrication shop, Construction, Asphalt plant, Mixing Concrete plant relocated and new Administration building as a complex in Duqm industrial area.

The Chairman of Oman Engineering LLC Mr. Saleh Al Habsi commented on the event: "We are proud to be part of the continuous development of Duqm port. Our association with the port of Duqm will provide us the platform to develop a mega fabrication shop with state of art technology for the oil & gas sector in Oman".

Galfar Engineering and Contracting SAOG

is one of the largest, multi-disciplinary engineering, contracting and construction companies in the Sultanate of Oman. Established in 1972, Galfar Engineering & Contracting SAOG has today grown into one of the largest construction companies in the Middle East with a turnover of over US\$1 billion.

GES operates on a well-established quality management system. The state-of-the-art laboratory established in Muscat is equipped with sophisticated equipment and trained/experienced personnel. Their testing unit is capable of handling any type of high performance tests and continuously engages in innovative methods of testing concrete and its constituents. Advanced durability tests on concrete are conducted in-house.

Chief Executive Officer of Galfar Engineering Dr. Ir. Hans Erlings commented: "We look forward to assist Duqm Port in their continuous development and we seek to provide a platform to such contribution in Duqm development".

Mr. Reggy Vermeulen, Chief Executive Officer of Port of Duqm stated that: "Port of Duqm is proud to support all of the 3 companies as major private investors in Duqm. Furthermore, these projects, on a short term, are going to support the development of cutting edge technology and on the long term will be major players in supporting the port of Duqm and its stakeholders with the state of the art technology and services".

Duqm port lies officially under the management of Port of Duqm Company SAOC, a 50:50 joint venture between the Omani Government and the Consortium Antwerp Port (CAP).

  
**Reggy Vermeulen:**  
*new projects support the development of advanced technology in the short term*

  
**Oman Engineering Company:**  
*construction of factories for asphalt and concrete and other workshops for the manufacture of pipes*



*Oman Air launches its first route to China*

# Yahya Al-Jabri confirms the economic importance of Muscat – Guangzhou route



Launching ceremony of the new route in Muscat Airport

**Chinese investments in Duqm benefit from direct flights between the two countries**

## Guangzhou- :

H.E. Yahya bin Said bin Abdullah Al-Jabri, Chairperson of the Special Economic Zone Authority in Duqm (SEZAD), asserted the importance of the launch of a direct route that connects the Sultanate and China. "We believe this route will have a great importance at the level of Duqm in particular and the Sultanate in general. We also expect it to have a positive effect on the commercial, economic and tourism cooperation between the Sultanate and the friendly People's Republic of China (PRC)," stated Al-Jabri in a press statement ahead of the launch of the first Oman Air flights to China's Guangzhou City.

The first Oman Air flight on Friday evening,

20 December 2016, landed in Guangzhou Airport after 6 hours and 45 minutes from its takeoff from Muscat International Airport. The return journey to Muscat takes about 8 hours and 35 minutes.

H.E. Yahya bin Said bin Abdullah Al-Jabri said the new route would have a positive impact on China's industrial project in Duqm and brings Duqm and China closer in terms of investment exchange and movement of businesspeople between the two countries. He pointed out that the route will not be the only one operated by Oman Air to China, but the flights will also extend to other regions and cities in the Republic of China. Oman Air seeks to open a direct route to the capital Beijing soon.



During the official celebration in Guangzhou





Yahya Al-Jabri delivering a speech during the ceremony in Guangzhou



Paul Gregorowitsch Oman Air CEO in his speech

### Promotion of Trade Exchange

H.E. Yu Fulong, ambassador of the PRC to the Sultanate, expressed his delight with the launch of Muscat – Guangzhou route, pointing out that it will help shorten the distance between the two countries and encourage greater exchange of visits between businesspeople. He stressed that the operation of the direct air route between the Sultanate and China would contribute to the promotion of trade exchange between the Republic of China and the countries of Central Asia, Europe, Africa and the Middle East. He praised the strategic geographical location characteristic of the Sultanate and its tourism features, which will contribute to increasing the number of tourists from the PRC to the Sultanate.

H.E. Lee Chang Wayne, Ambassador of China-Arab Cooperation Forum (CASCF) Affairs in Chinese Foreign Ministry, upon receiving the first flight of Oman Air land-

ing in China, expressed his appreciation of the Sultanate for its efforts to strengthen the historical ties between the two countries. He stressed that China is willing to strengthen these relationships more and more through the Belt and Road Initiative (BRI).

Oman Air operates four flights a week between Muscat and Guangzhou on Monday, Wednesday, Friday and Sunday, while the return flights shall be on Sunday, Tuesday, Thursday and Saturday. The flight takes off from Muscat at quarter past ten in the morning and the return flight lands in Muscat at eleven o'clock in the morning.

### Growing Trade and Investment Cooperation

In his speech during the ceremony held in Guangzhou to mark the launch of the new route, H.E. Yahya bin Said Al-Jabri, Chairperson of SEZAD, confirmed that the

*Oman Air  
CEO: We  
expect  
SMEs to  
benefit from  
the new line*



During the exchange of sonvenics



**China's ambassador to the Sultanate: Muscat - Guangzhou route supports trade and encourages investment**

**Sultanate's ambassador to China: Muscat - Guangzhou route is a new bridge to strengthen the excellent relations between the two countries**

distinctive relations between the Sultanate and China in various fields have yielded tangible results reflected in the growing trade and investment cooperation between the two countries. The Chinese investments in the Sultanate in 2015 approached USD 2 billion, trade exchange volume USD 17.2 billion, Omani oil exports to China reached 237 million barrels, which accounted for 77% of total oil exports of Oman and about 10% of total oil imports of China. He added that Oman-China relations date back to ancient times and reflect a bright picture of human communication, cultural exchanges and achieving mutual benefits through Oman formed a secure major station on the maritime Silk Road that connected China and South beaches of Europe on the Mediterranean Sea and Eastern shores of the African continent on the Indian Ocean.

He noted in his speech the level of relations between the two countries during the modern era indicating that the Sultanate and China have been working to employ this historical and cultural heritage to strengthen the bonds of friendship and cooperation between the two countries in the various political, economic and cultural fields. "Since the start of the Renaissance era in the Sultanate in 1970, His Majesty Sultan Qaboos bin Said – may God Bless Him – accorded profound interest to the Sino-Omani relations.

Al-Jabri explained that the diplomatic representation between the two countries began in 1978. The two countries signed the Investment Promotion and Protection Agreement in 1995 and the Convention on the Prevention of Double Taxation in 2002. There are also Omani Chinese Joint Commission and Association of Friendship in both countries. The officials from the two sides in the public and private sectors have paid many mutual visits and held consultative meetings to activate communication

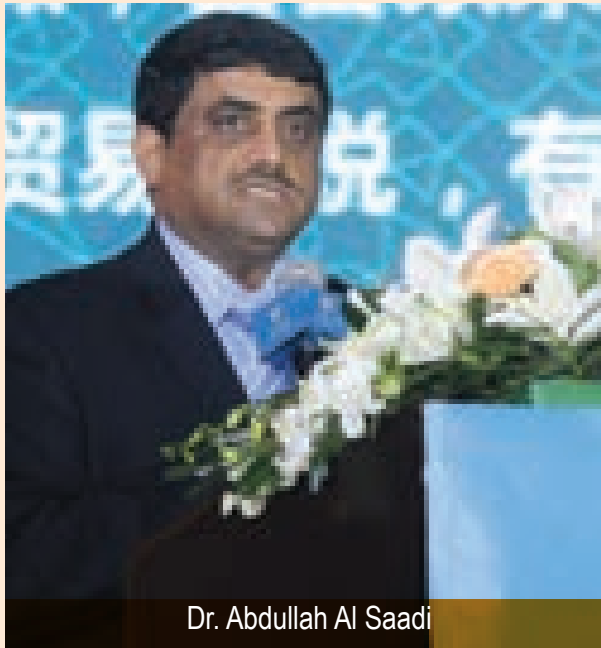
channels and programs of joint action. The Sultanate has also responded to China's call for the establishment of the Asian Bank for investment in infrastructure and became a founding country and a partner in the bank. Add to this cooperation between official investment authorities in the Sultanate and China to establish and develop a seaport in Tanzania. Moreover, the government of the Sultanate is currently supporting the efforts to sign a free trade agreement between the Gulf Cooperation Council (GCC) and the People's Republic of China.

#### **Chinese Investment in Duqm**

H.E. Yahya bin Said Al-Jabri touched upon the Chinese direct investment in SEZD believing that this to be a new and important pillar in the program of localization of Chinese investment in the Sultanate. In this regard, he noted the signing of the development and usufruct agreement of the project of Sino-Omani industrial in Duqm between SEZAD and the Chinese Wan Fang Company. The agreement allows the Company to develop, manage, and market approximately 11.8 square kilometers of land and localize Chinese direct investments therein in the fields of heavy, medium and light industries, oil refining, petrochemicals, logistics, warehousing, transport, distribution, tourism resorts, real estate development and educational, health and medical treatment services. The estimates indicate that the volume of Chinese investments in Duqm would reach USD 10.7 billion and generated about 12 thousand new permanent jobs and 22 million tons of cargo handled through in Duqm Port.

#### **Connecting Duqm to Chinese Ports**

SEZAD Chairperson hoped that after the launch of Oman Air route from Muscat to Guangzhou, Duqm Port would soon con-



Dr. Abdullah Al Saadi



Dr. Khalid Al Saidi

nect to the Chinese ports in the near future. He highlighted the numerous facilities of Duqm Port, explaining that this would enhance trade cooperation between the two countries and enable Duqm Port to take advantage of the commercial activity of to the ports of Guangzhou and Huang Po, which are among the most active Chinese ports with trade exchanges amounting to a quarter of China's foreign trade.

#### **Supporting Oman-China Distinctive Relations**

H.E. Sheikh Dr. Abdullah bin Saleh Al-Saadi, Sultanate's ambassador to the People's Republic of China, considered the launch of the air route between the Sultanate and China as supporting the distinctive relations between the two countries.

He said that Muscat-Guangzhou route would be another bridge to these relations, praising the efforts made for the successful operation of the route.

For his part, H.E. Dr. Khalid bin Salim

Al-Saidi, Secretary General of the State Council, representative of the Oman-China Friendship Association, stated that the Association aims to develop the Oman-China relations in various fields. He expressed his hope that the direct route between Muscat and Guangzhou would be the maiden to other Chinese destinations and contribute to the promotion of existing economic, tourist and cultural relations between the two countries.

#### **Supporting SMEs**

Paul Gregorowitsch, CEO of Oman Air, said that the new line to Guangzhou will contribute to strengthening the social, cultural and economic ties between the Sultanate and the Republic of China and would reflect positively on SMEs. He added that the launch of this route has increased the number of destinations of Oman Air to 54, stressing the desire of the national carrier of the Sultanate to have a thriving long-term presence in the Chinese market.

**Lee Chang Wayne: BRI allows closer ties with the Sultanate**

**The new route brings Duqm and China closer in terms of investment exchange and movement of businesspeople**



In 300 pages in Arabic and English

# SEZAD issues SEZD Legislation Encyclopedia

**Yahya Al-Jabri: Development of legislative environment capable of attracting various investments to SEZD**

**Muscat - :**

Special Economic Zone Authority in Duqm (SEZAD) issued today (5 December 2016) SEZD Legislation Encyclopedia, the first release of its kind aimed at clarifying the investment environment of SEZD.

H.E. Yahya bin Said bin Abdullah Al-Jabri, SEZAD Chairman, stressed that this publication, coincided with the country's celebration of the Forty-Sixth National Day, aims to provide the various information on the legislative aspects that govern investment in SEZD for investors, researchers, academics, intellectuals and economists.

Al-Jabri said in his preface to the Encyclopedia published in 300 pages in Arabic and English that SEZAD has sought since its founding in 2011 to prepare the legislative environment that attracts various investments to SEZD in translation of the vision of the Sultanate for SEZD to be one of the investment oases in the country.

"SEZAD seeks that this legislation governing the investment environment in SEZD keep up with the ambitions of investors and their desires as well as the global interest paid to this sector. The legislative aspect of any economy receives profound attention. There is no economy that can

attract investment unless it has a legislative environment able to do so," added Al-Jabri.

SEZAD Chairman expressed his hopes that this publication would enrich the Omani library and provides investors, researchers, specialists and those interested in investing in Duqm with the information they need on the legislative environment in SEZD.

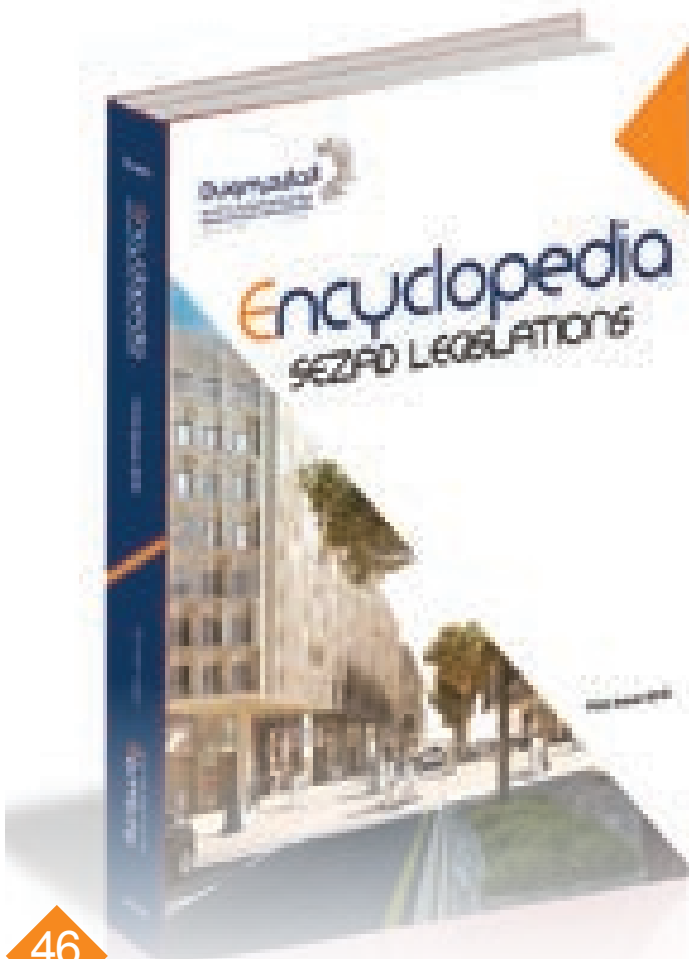
## Encyclopedia in Three Sections

The encyclopedia contains three sections. The first includes the Royal Decrees; the second consists of regulations, and the third regulatory decisions.

"SEZD is experiencing a growing demand from local and foreign investors who want to know the incentives and facilities SEZAD offers and the legislation governing the investment environment in SEZD. Therefore, we have compiled legislation issued on SEZD since 2006, when Royal Decree No. 85/2006 designating the development of Duqm city in Al-Wusta Region a public utility project. This targeted the establishment of a regional center for heavy industries in Duqm that includes a commercial port, dry dock, international airport, and free zone. In 2011, Royal Decree No. 119/2011 was issued establishing SEZAD followed in 2013 by Royal Decree No. 79/2013 issuing SEZD System, Royal Decree No. 44/2014 on August 19, 2014 lifting the public utility status of some schemes within SEZAD scheme. The last relevant Royal Decree No. 5/2016 designated the development of Ras Markaz a public utility project and annexing to SEZD. This increased SEZD area from 1745 sq. km to 2,000 sq. km to absorb the oil storage activities that Oman Oil Company would establish," said Ismail bin Ahmed Al-Balushi, SEZAD Deputy CEO and supervisor on encyclopedia preparation.

Al-Balushi pointed out that SEZAD made sure that the Encyclopedia contain various regulations, rules, and regulatory decisions regarding the investment environment in SEZD. It includes the regulation of regulation on project registration, rules governing tax exemptions, customs administration system, regulations on urban planning and building permits, and regulation on investment environment. It embraces as well the organization of environmental permits, usufruct, and regulation on tenders floated by SEZAD. The Encyclopedia also includes the decision on the charges for the services provided by SEZAD, percentage of Omanization in SEZD projects, and enhancing SMEs contribution to SEZD projects.

Ismail bin Ahmed Al-Balushi confirmed that SEZAD would continue updating the Encyclopedia steadily thus contributing to provide various information to help investors make informed investment decisions.



# Providing 250 training opportunities for Omanis in Duqm

**The Companies operating at Duqm Provides  
150 direct employment opportunity**

## **Duqm - Saleh Al Mamari:**

The Duqm Special Economic Zone Authority (SEZAD) announces that it will provide 400 jobs and training opportunities coupled with employment for Omanis in the projects being executed currently within the Special Economic Zone in Duqm.

This was announced at the end of the Employment and Training Exhibition organized by the Authority on 22nd November 2016 in collaboration with the Ministry of Manpower. It was held in the Crown Plaza Hotel with the participation of five major companies currently working in the Special Economic Zone in Duqm, those are: Oman Wanfang LLC, United Gulf Company for Construction, Combined Group Contracting Co., Galfar Engineering and Contracting, and SERKA-MSF Company.

Ismael bin Ahmed Al-Balushi – Deputy Executive President and Chairman of the Local Community Development Committee in the Authority – said that the number of training opportunities announced during the Exhibition reached 250 opportunities, of which 200 will be with vocational training centers affiliated to the Ministry of Manpower and 50 opportunity will take place outside of Oman to be in the People's Republic of China through Oman Wanfang LLC.

He added that the Exhibition has also witnessed the announcement of 150 immediate employment opportunities with the operational companies in the Special Economic Zone of Duqm, assuring that the Authority since its establishment has put on the top of its priorities' list to develop the local community and train the sons of the Wilayat of Duqm.

He pointed that the Duqm Employment and Training Exhibition 2016 which coincided with the celebrations of the 46th National Day, falls within the Authority's plan to develop human resources, to create job opportunities and to train young jobseekers from the Wilayat of Duqm and the rest of Wilayats of Al-Wusta province.



**Ismael Al-Balushi:**

**The Authority  
ensures the  
development  
of the local  
community and  
creating job  
opportunities  
for the people of  
Duqm**





**200 training opportunities in local vocational training centers, and 50 in the Republic of China**

**Operational companies in the zone provide 150 job opportunities for immediate employment.**

He also noted the achievements of the Special Economic Zone of Duqm in the business sector in the Sultanate, referring in this regard to the Authority's role in attracting local and foreign investments to the zone, and hoping to be able to double these gains in the future.

#### **Encouraging youngsters to enter the labor market**

The Exhibition was held under the auspices of H.E. Sheikh Mohsen bin Hamad Al-Maskari – Duqm Governor (Wali) and in the presence of many businessmen and jobseekers.

Abdul-Aziz Al-Hinai – Specialist in the Social Responsibility in the Special Economic Zone in Duqm – said that the Exhibition organized by the Social Responsibility Department aimed to encourage youngsters to enter the labor market and to be engaged in professional and technical works, declaring that the objectives of the department focuses on supporting social activities in the Wilayat of Duqm particularly and Al-Wusta province generally, and developing the local community through providing training, teaching and rehabilitation opportunities to enter the labor market.

#### **Manpower provides 200 training opportunity**

And regarding the training opportunities announced by the Ministry of Manpower, Munira bint Mohamed Al-Hashimi – President of the ministry's graduates – said that the Ministry of Manpower will provide 100 training opportunity to the youngsters of Duqm along with 100 scholarships for them within a Professional Diploma Program in the areas of engineering, agriculture, commercial, health and beauty as well as training opportunities in fishermen training institutes.

And she added: "Many awareness lectures were held during the Exhibition to notify the jobseekers of the training programs provided by the Ministry, also a number of awareness leaflets on education and vocational training were distributed during the Exhibition."

#### **Jobseekers hail the initiative**

The jobseekers hailed the exhibition, pointing out that it opened to them wide doors to enter the labor market.

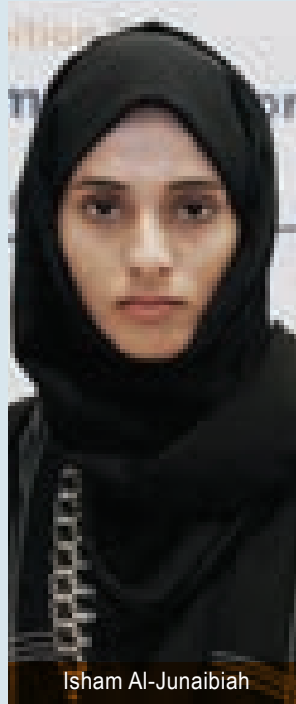
Hamad bin Abdullah Al-Junaibi said that these exhibitions enable us to search easily for jobs and I am looking forward to find an employment opportunity.







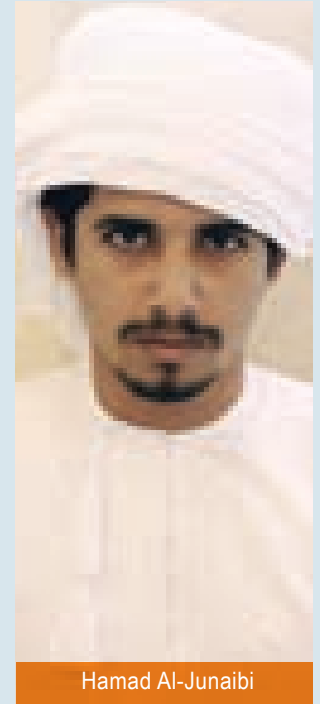
Hana Al-Junaibiah



Isham Al-Junaibiah



Muslem Al-Silawi



Hamad Al-Junaibi

nity to work outside the Sultanate.

Muslem bin Salem Al-Silawi said that this kind of initiatives reliefs us, knowing that there is demand on jobseekers; the Exhibition also opened a direct communication channels with the operational companies in the Special Economic Zone in Duqm which make it easier for us to communicate with them and receive answers on our enquires related to the training and employment conditions in these companies and the works they executed within the Sultanate.

Hana bint Salah Al-Junaibiah expressed her wishes in allocating more vacancies to women and said: "I hope to get a training opportunity that qualifies

me to get a job in the zone". And added: "we as jobseekers of the Wilayat of Duqm are looking forward for the zone to achieve more successes in hiring Omani youth.

Isham bint Mohamed Al-Junaibiah said: "I thank the Special Economic Zone in Duqm, companies and collaborating entities for their efforts in providing employment opportunities for the Omani youth and I hope to get a job, and I also hope that these exhibitions will be organized every year and the training and employment opportunities to be more and also hope that the rest of the companies and organizations working in the zone to participate.

**Jobseekers hail the Employment and Training Exhibition, and are looking forward to its continuation**



# Implementation of more than 25 social responsibility initiatives in 2016



Student winners in the painting competition during honouring ceremony

## Duqm - :

**Provision of additional scholarships for university study and qualifying young people for the labour market**

The Special Economic Zone Authority in Duqm (SEZAD), in collaboration with companies operating in SEZD, carried out more than 25 initiatives during 2016 under its social responsibility program. The Second Youth of Oman Forum organized by the National Youth Commission in cooperation with SEZAD was one of the main events in SEZD to familiarize the youth with the importance of Duqm as an economic front for Oman. The Forum, held under the theme "Be a Partner and Make a Record," aimed to provide economic knowledge for the youth to be partners in economic planning and development, serve the national economy, and achieve the objectives of the ninth five-year plan.

The academic year 2016/2017 witnessed the provisions of eight additional scholarships for students from among the residents of Duqm to get a bachelor's degree in civil engineering, accounting, logistics sciences, and information technology. This brought the number of students studying at the expense of SEZAD and the companies working in SEZD to 30 students since the launch of the program in the academic year 2014/2015.

In cooperation with the Public Authority for SMEs Development, SEZAD organized the Duqm Seminar for Opportunities and Investment to familiarize the citizens interested in establishing their projects with the procedures they should follow to establish SMEs. About 100 owners of SMEs attended the seminar held at Crowne Plaza Duqm.

Within Duqm Training Initiative, SEZAD has been keen to qualify the youth to work in the companies operating in SEZD. The program, launched in October 2015 for 6 months, provided training to about 50 students holding a diploma to learn English, computer skills, work ethics, security and safety. The initiative, provided in cooperation with Duqm Refinery and Duqm Petroleum Warehouses Company, supervised by SEZAD and Takatuf Company, and implemented by the German University of Technology achieved many positive results.

SEZAD Department of Social Responsibility cooperates with the Ministry of Higher Education and the Ministry of Manpower to supervise the initiative of Wan Fang Oman Company to train 1,000 Omanis to work in the Sino-Oman Industrial City in Duqm. People of Duqm would receive 20% of these grants while 80% goes



Part of Our Environment ... Our Responsibility Program organized by SEZAD for students in Duqm schools



◆◆◆  
**Organiza-  
 tion of envi-  
 ronmental,  
 cultural  
 and social  
 events and  
 encouraging  
 the growth  
 of SMEs in  
 SEZD**  
 ◆◆◆

to the citizens in other Wilayats. The choice of the students who meet the conditions shall be according to their percentages in the twelfth grade. Wan Fang Oman shall pay the living expenses and a monthly salary for the trainees during their stay in China.

SEZAD focused on the implementation of a number of environmental events. It organized awareness seminars for parents, school students, and companies operating in SEZD to emphasize the importance of preserving the environment in SEZD. It also organized a drawing competition for school students under

the title "Our Environment ... Our Homeland" and beach cleaning campaigns.

Other initiatives included building a Quran school by Duqm Quarries and Crushers Company, purchase of equipment and supplies for the needy families by Duqm Refinery Company and Duqm Port Company, equipping a football playground for Duqm Basic Education School, organization of entertainment and cultural events during Ramadan nights to strengthen relationship between residents and workers in SEZD. This was in addition to many other sports, cultural and other social events.

## Khatib and Alami: Development of residential-commercial scheme within the Company's social responsibility program

### Duqm - Saleh Al-Ma'mari:

Khatib & Alami Company has designed layouts for a number of commercial residential buildings affected by the project of the main road in Duqm Center as part of the Company's social responsibility initiatives.

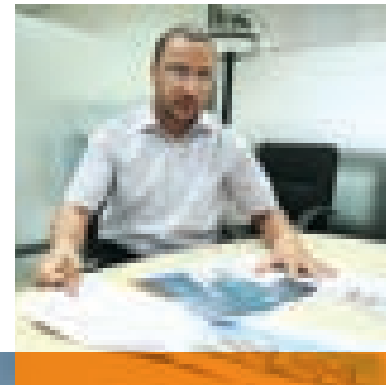
Salman Zafer, Quality & HSSE manager, stated that the initiative carried out by the Company in cooperation with SEZAD comes in the context of its commitment to social responsibility and supporting the local community.

He explained that the Company has developed a residential commercial scheme and developed preliminary layouts. In addition, experienced consultants studied the main road path in the center of the Wilayat on the ground and drew three-dimensional maps to develop the place hoped to be a nice interface next to the main street. They prepared modern designs awarded to those affected by the path of the road. He added that this paid initia-

tive comes as part of the Company's responsibility towards the society.

Zafer said that the Company offers consulting services to vital projects in the Sultanate notably Duqm Port Project.

It is noteworthy that Khatib & Alami is an engineering company established in 1959 in Lebanon and operates in more than 17 countries worldwide.



*Preparing Duqm to be a major center of fishery industries in the Sultanate*

## Signing establishment agreement of the fishing port at a cost of OMR 60.7 million



H.E. during signing the agreement with Sheikh Dr. Salim Al Arami the Chairman of Galfar

Increasing economic revenue is one of the main objectives of the port and the fish industries area

### Muscat - :

H. E. Yahya bin Said bin Abdullah Al-Jabri, Chairman of the Special Economic Zone Authority in Duqm (SEZAD), signed an agreement in his office in Oasis Knowledge Muscat (Monday, 14 November 2016).

The agreement related to the Construction of Fishery Port (Marine and Road related works) Sheikh Dr. Salim Saeed Al Fannah Al Arami - Chairman signed the agreement on behalf of the executing company, Galfar Engineering and Contracting.

The signing of the agreement on the establishment of the fishery port in Duqm is part of the government's plan to make SEZAD a major center for fishery industries in the Sultanate. The port is the largest fishing port in Oman with an area of 600 hectares. It includes fisheries industries area with a group of factories and establishments specialized in fish manufacturing and canning. The cost of the project shall be about OMR 60.7 million and construction period shall be within 30 months from the commencement date in addition to six months for preliminaries.

### Project components

The port includes breakwaters with a total length of 3.4 km, a fixed pier for fishing purposes of 850 meters, and a fixed pier for ROP of 50 meters. Project works shall include dredging the harbor basin up to 6 meters, land reclamation to construct port service buildings. They shall also includes a tourist area with a wharf, pontoons, 5 floating moorings for fishermen pier with pontoons for Coast Guard, a crane for boat to maintenance, ramp for boats, marine services and facilities, service buildings, internal roads, parking lots and maintenance and repair workshops.

### Fish industry zone

The fish industry area in Duqm shall include 60 fish manufacturing facilities, cooling and freezing stores, and ship maintenance and repair workshops. The area aims to encourage fish farming, attract projects that add good value to SEZAD, conduct research on fishery sector development at an equipped research center in addition to various qualification and training centers.



During the signage of the agreement

## SEZAD Signing for Consultancy Services Construction Supervision of Fishery Port

Muscat - :

H. E. Yahya bin Said bin Abdullah Al-Jabri, Chairman of the Special Economic Zone Authority in Duqm (SEZAD), signed an agreement in his office in Oasis Knowledge Muscat (Monday, 14 November 2016).

The agreement was on Consultancy Services Construction Supervision of Fishery Port (Marine and Road related works) awarded to Sering International Engineering Consulting Company in cooperation with ADK. Mr. Sergio Di Maio – CEO, SERING signed the agreement on behalf of the company.



Initial idea for fishery industries complex

# Memory 2016

## 17 January:

Boeing 737 aircraft operates on Muscat - Duqm to provide additional seats for travelers



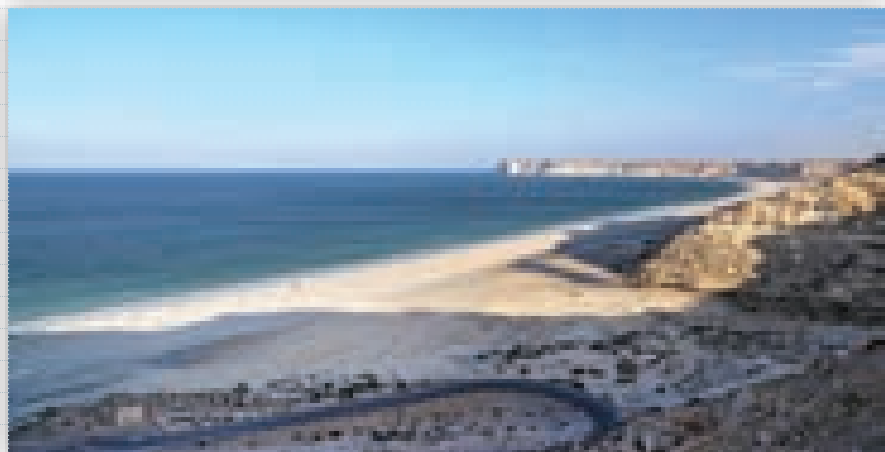
## 19 January:

One of the training workshops organized by SEZAD for its staff during 2016



## 28 January:

Issuance of Royal Decree No. 5/2016 granting the public utility status to develop Ras Markaz and annex it to SEZD raising SEZD to 2,000 square kilometers







**15 February:**

Marina Duqm Company gets land usufruct right for the construction of a tourist interface that includes a shopping mall, hotels, residential complexes, entertainment center, water amusement park and a number of other tourist services and facilities



**29 February:**

14th International Conference on Economic Zones grants SEZAD International Websites Award



**30 March:**

H.E. Michael Fallon, British Defense Minister, confirms while attending the signing of a memorandum of understanding between Oman Dry Dock Company and Babcock International Group the importance of economic cooperation between the Sultanate and Britain



**10 April:**

Journalist Andrew Torchia, director of economic news, Reuters, prepares a report on Duqm during a visit by Reuters team to SEZD

# Memory 2016

## 18 April:

signing of a memorandum of understanding with Oman Arab Bank that stipulates that the Bank facilitate funding for private sector companies and institutions for the implementation of their projects in SEZD.



## 30 April:

H. E. Dr. Mohammed bin Hamad Al-Rumhy, Minister of Oil and Gas, Chairman of Oman Oil Company, emphasizes during his visit to the economic importance of Duqm for oil storage terminal in Ras Markaz.



## 3 May:

SEZAD grants "Truck Oman" land usufruct for the construction of a logistics center



## 23 May:

Signing land usufruct and development agreement for the establishment of Sino-Omani Industrial City in Duqm





**24 May:**

Chinese investors learn about the sites on which they will build the Sino-Omani Industrial City



**2 June:**

SEZAD grants Karwa Motor Company land usufruct to build a car assembly plant in SEZD



**26 June:**

Khonji Real Estate Development Company "Aqar" received land usufruct for the construction of a tourism project that includes residential and commercial compounds and other tourist facilities and hotels.



**27 September:**

Signing advisory services agreement for the preparation of the outline of New Duqm City



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



*I found small and medium enterprises in Duqm a fertile place for their investments, and about 75% of the total number of projects that signed usufruct agreements in 2016*

mohammed.alshezawi@duqm.gov.om

## A Journey with Numbers

### (1)

In this issue, we sailed with numbers from USD 10.7 billion as expected investment of the Sino-Omani Industrial City in Duqm to OMR 10,000, the capital of the smallest project that received land usufruct right during the past year. Between these two figures, there are more than 90 projects looking forward to investing in SEZD.

### (2)

While I was looking at the figures for new topics and statistics summarizing the work in SEZD during the last year, what caught my eye was that small and medium enterprises found in Duqm a fertile place for their investments. For example, the number of new projects whose capital is less than OMR 1,000,000 was more than 70 of about 75% of the total number of projects that signed usufruct agreements in 2016.

### (3)

The statistics also reflected diversified investments: tourist, industrial and commercial as well as investment in the real estate sector and establishment of stores and galleries. The signing of usufruct agreement with Al-Tamman Holding Company for the construction of an international school would be a catalyst for more investments and encourage investors to settle in Duqm.

### (4)

Details show another diversification. Tourism sector, for example, attracted Marina Duqm Company, which plans to build a tourist interface at a cost of OMR 283,000,000. This also provided a suitable environment to create a variety of hotels, hotel apartments and tourist restaurants that are looking to keep pace with economic growth in SEZD.

### (5)

The past year also showed investors' interest in the construction of commercial residential buildings through 16 usufruct agreements that seek to keep pace with the increasing population in SEZD. Figures showed intense activity of industrial investments, which accounted for 37% of the total number of new projects.

### (6)

Ambition, optimism and desire to establish new projects were the shared themes between SEZAD team who worked on streamlining the procedures and investors' team that sees in Duqm a convenient place for the growth of their investments.

This optimism makes us invite investors to translate those numbers on the ground and look forward that 2017 witness laying the foundation stone for a lot of projects that received usufruct over the past year and the previous years.