

A Quarterly magazine issued by the Public Authority for Special Economic Zones and Free Zones **24**<sup>th</sup> **Issue - July 2021** 

### Inside the issue:



Duqm Salt Factory: providing a motivating work environment



An International photography team documents secrets of Rock Garden

## **RAS MARKAZ** is gearing up to receive crude oil





Duqm will be soon home for 3D printed buildings

## OMAN DRYDOCK COMPANY A WORLD-CLASS SHIP REPAIR YARD

Strategically located, facilitated with world-class expertise and committed to quality, Oman Drydock welcomes the world to the shores of Oman. As one of the biggest ship repair yards in the Middle East, Oman Drydock is specialized in vessel conversions and major structural On-shore fabrications, with a capacity to repair over 200 ships per year, including vessels as large as ULCCs.

- One-Stop Service Including Slop & Sludge Reception.
- Most Modern & High Quality Facilities.
- Specialized for LNGC repair.
- Ideal Climate For Painting.
- Strategic Location.

Dock No. 1	410 m	x 95 m	600,0	00 DWT
Dock No. 2	410 m x 80 m		500,000 DWT	
Quay 2800 m		Jib Crane		14 sets





الهيئة العامة للمناطق الاقتصادية الخاصة والمناطق الحرة Public Authority for Special Economic Zones and Free Zones Sultanate of Oman سلطنة عمان









العالمية المتكاملة للهندسة ش.م.م GLOBAL INTEGRATED ENGINEERING L.L.C

established in 2010. We are a subsidiary company of Al Ghalbi International Engineering & Contracting LLC. It is a Limited Liability Company. We are majorly involved in production and supplying of Industrial salt by evaporating sea/saline water and we are the first company who is producing refined salt locally in Sultanate of Oman.

GIE is an ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certified company and producing its product with highest quality standards and with customer's satisfaction.

**4,74, kilometers** From the capital city Muscat

651 kilometers from Sohar Industrial port

> 80 kilometers from Dugm port



Head Office: AL-GHALBI Tower, Bausher, 23rd July Street, Al Ghubra South, P.O.Box. 2470, PC 111 Muscat, Sultanate of Oman

in 댥 🕞 duqmsalt.om

www.duqmsalt.om

## Attracting modern technologies is essential

Attracting and localising modern technologies in the Special Economic Zone at Duqm (SEZAD) and the free zones marks a priority, which the Public Authority for Special Economic Zones and Free Zones (OPAZ) is focusing on. This comes in line with OPAZ objectives aimed at enhancing the added values of the special economic zones and free zones. The Board of Directors approved this year using modern construction practices, especially 3D printing techniques in the zones.

Further, the Board approved the allocation of a dedicated site for the use of modern technologies, including artificial intelligence experiments like those of unmanned aircraft (Drones) in the Special Economic Zone at Duqm. These efforts come at a time when OPAZ is working to attract clean energy production projects for the use and production of green hydrogen for export purposes in Duqm and Sohar.

This endeavor coincides with OPAZ focus on accelerating the completion of investors' transactions in the different zones. In this regard, OPAZ launched in June 2021 the services of electronic onestop shop for Salalah Free Zone and Sohar Free Zone, continuing the digital transformation process that started earlier by automating onestop services in SEZAD. Through these efforts, OPAZ aims to accelerate the traffic of economic activities in all the zones.

On the other hand, the special economic zones and free zones are witnessing a commendable interest from international investors. The Turkish Gebze Organized Industrial Zone (GOSB), for instance, has expressed its initial interest to invest in SEZAD, a step that OPAZ accords high attention and we aspire to the fruitful outcomes of the negotiation process between both parties. This year, OPAZ also introduced the investment opportunities available in Duqm and the free zones in Sohar, Salalah and Al Mazunah to the Economic Cities and Special Zones Authority (ECZA). We affirm that Saudi investments are welcomed in any of our zones, where success factors will be provided.

As part of OPAZ efforts to shed light on the capabilities of the free zones, Duqm Economist Magazine brings, in this issue, a comprehensive profile on Salalah Free Zone, highlighting various aspects about the Zone, investment opportunities, services, incentives and facilities provided to investors. We hope it will be a source of attraction for investors to increase their investments in the Zone.



Eng. Ahmed bin Hassan Al Dheeb General Supervisor



The special economic zones and free zones are witnessing a commendable interest from international investors. The **Turkish Gebze Organized Industrial** Zone (GOSB) has expressed its initial interest to invest in SEZAD, a step that **OPAZ** accords high attention





Quarterly Magazine on Economic Affairs and Free Zones

Issued by: The Public Authority for Special

#### **General Supervisor**

Eng. Ahmed bin Hassan Al Dheeb

**Editor-in-Chief** 

Mohammed bin Ahmed Al Shezawi

#### **Editors:**

Saleh bin Nabhan Al Ma'amari Abdulaziz bin Ahmed Al Jahdhami

#### **Designer:**

Maryam bint Khamis Al Ismaili

Correspondence and advertising to be sent to the Editor-in-Chief :

P.O. Box: 77 Postal Code: 100, Muscat, Oman

Tel: 0096824507572 0096824507540/

Fax: 0096824587474

Email: magazine@duqm.gov.om

Follow us on: www.duqm.gov.om www.opaz.gov.om

+ 968 71144433



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

The magazine welcomes specialised researches and academic studies

# In this issue:



OPAZ signs a cooperation programme in 3D printing construction techniques

9



commercial berth at Port of Duqm





"OTTCO" puts final touches on the region's largest crude oil storage centre

16





Ali Al Zadjali: Implementing the best standards in quality management and environmental management in Duqm Quarries



Dr. Ali Tabouk: Our strategic plan aims to transform the zone into a global destination for investments 24



Ali Al Junaibi: Duqm Salt Factory supplies oil sector with industrial salt







20 Signing cooperation programme with Turkish Gebze Zone to invest in Duqm



**31** A study to localise pharmaceutical industries in Salalah Free Zone





46 Drydock inaugurates the shipbuilding era

7





Quantity Surveying and Quantifying Via **Drone Systems** and Pix4DMapper Software



## Pix4Dmapper



ISO Certified in Quality Management, Occupational Health & Safety, and Environmental Management



OUR OFFICIAL WEBSITE www.dugmguarries.om

### OUR SOCIAL MEDIA PLATFORMS











DugmQuarriesOM Dugm\_Quarries

### **DQs Company Provides Land** Leveling Services

### **Our Products Meet Your Needs**







Aggregate

**Coarse Sand** 

**Fine Sand** 



**Armour Rocks** 







ABC

### **Contact Us**

ADDRESS: 32 Street, P.O. Box 116, P.C, 700, Dugm, Oman MOBILE: +968-71150327 / +968-90999244 E-MAIL: info@dugmguarries.om

## COPAZ Board of Directors approves construction with 3D printing techniques





The Board of Directors of the Public Authority for Special Economic Zones and Free Zones (OPAZ) held on June 22, 2021, its second meeting for the year 2021, chaired by HE Dr. Ali bin Masoud Al Sunaidy, Chairman of the Board.

During the meeting, the Board discussed the proposal aimed to promote real estate development in the Special Economic Zone at Duqm (SEZAD) based on a mechanism that stimulates introducing long-term housing solutions and providing residential properties under long-term contracts.

#### Space before the sentence

In order to cope with the world's modern construction techniques, the Board of Directors approved the construction by using 3D printing techniques while complying with safety standards. As well, it affirmed promoting the new techniques in the various free zones and in the Special Economic Zone at Duqm (SEZAD) in particular. Different packages of facilities and incentives will be offered for companies that prefer to use the 3D printing technique in construction, with an exemption from the leasing fees for a period of 5 years.

#### Attracting green energy projects

The meeting touched on the actions taken to attract clean energy projects in Duqm and Sohar, and highlighted what has been accomplished in activating the services of one-stop shop in both Salalah Free Zone and Sohar Free Zone, taking into account the one-stop shop experience in Duqm.

#### Gas projects

Further, the Board of Directors was briefed about the latest updates regarding the procedures for providing gas for a number of projects in the chemical material sector in Salalah Free Zone, steel and mining industries in the Special Economic Zone at Duqm. They were also updated on the procedures implemented for registering the green hydrogen production project company in Duqm, and the programme for installing experimental equipment for the project. Offering packages of facilities and incentives for companies preferring the 3D-printing technique for construction



### **Reflecting on Board of Directors' decision**

## OPAZ signs a cooperation programme in 3D printing construction techniques



#### Muscat – الدقم :

The programme allows establishing projects using 3D printing techniques in Duqm and other zones and localising these techniques The Public Authority for Special Economic Zones and Free Zones (OPAZ) signed, on June 30, 2021, a cooperation programme with Innovative Technology Company for Educational Solutions (Innotech), the first of its kind corporate, to form a collaboration between both parties to use 3D printing techniques in construction. Signing this cooperation comes in line with the decision of OPAZ Board of Directors, approving the use of modern building practices, including 3D printing techniques in the Special Economic Zone at Dugm (SEZAD) and the other free zones. As well, it reflects OPAZ support for the Omani companies specialised in this filed.

The pact was signed by HE Dr. Ali bin Masoud Al Sunaidy, Chairman of the Public Authority for Special Economic Zones and Free Zones (OPAZ) and Eng. Othman bin Maktoum Al Mandhari, CEO of Innotech Company.

The cooperation programme stipulates that the Company shares with OPAZ expertise and insights in construction with 3D printing techniques, which would provide a suitable and attractive environment for these projects in the Special Economic Zone at Duqm.

The programme allows establishing projects using 3D printing techniques in the Special Economic Zone at Duqm for the Company as part of its efforts to support research and development while localising modern construction techniques in the zones, supervised by OPAZ, especially the Special Economic Zone at Duqm. Accordingly, Innotech Company shall comply with all HSE standards in the projects assigned to the Company by OPAZ.

#### Promoting innovation

Eng. Manal bint Humaid Al Abriya, Senior Architect at the Public Authority for Special Economic Zones and Free Zones (OPAZ), pointed out that signing this cooperation programme, with this first of its kind company, comes within OPAZ efforts to support innovation, research and development in using modern technologies and 3D printing in construction. It also aims to localise these techniques in the







special economic zones and free zones in particular and the local market in general. Further, bringing such techniques mirrors OPAZ objective to accelerate the pace of construction in the Special Economic Zone at Duqm as a first phase and other zones later on.

incentives to companies

Speaking upon the signing ceremony, she confirmed, "OPAZ welcomes any initiatives from the private sector companies related to construction with 3D printing technology. The Board of Directors approved in its meeting last week to provide packages of facilities and incentives to companies that use 3D printing in construction, including exemption from rental fees for up to five years".

She pointed out that presenting these technologies to the Special Economic Zone

at Duqm will contribute to building tourist and entertainment properties in the first phase of testing this new technology in different locations.

"The newly-introduced modern building techniques bring the artificial intelligence technology to construct buildings and establish engineering projects. These techniques include various spheres; using robots as 3D printers for buildings or other constructions, drones or reality simulation applications are to name a few. Such techniques aim as a whole to simplify the construction process, starting from the design phases and construction afterward, until operating and managing buildings, facilities or infrastructure networks. Most importantly, these techniques contribute to minimising the construction duration, saving budget and offering environment-friendly buildings," Eng. Manal Al Abriya explained.

#### Attracting investors

Innotech is the first Omani company specialised in modern manufacturing technologies and 3D printing. Eng. Othman bin Maktoum Al Mandhari, CEO of Innotech Company, commented, "This cooperation programme with OPAZ paves the way for the Company to use 3D printing building technology in the special economic zones and free zones. Similarly, it brings opportunities for the Company to expand its services by implementing 3D printing in architecture and construction sector".

"OPAZ decision to promote construction

Providing an attractive environment for projects and supporting research and innovation are key objectives





by using modern techniques including 3D printing will contribute to motivating investors to adopt this technology. In this regard, the Company will study the development of a number of projects with this technology in the Special Economic Zone at Duqm particularly," Al Mandhari explained.

Modern building projects contribute to minimising construction duration, saving budget and offering environmentfriendly buildings

Established in 2012 by a group of Omani engineers, Innotech Company is specialised in various fields of 3D printing, including education, medicine, architecture, engineering and others. "The Company, which records a 100% Omanisation, has contributed over the past three years, in cooperation with Petroleum Development Oman and Galfar Engineering and Contracting, to develop this technology locally, striving to meet the needs of the Omani market. Innotech had earlier developed many projects using 3D printing technology for the public, private and military sectors, in addition to individual projects. However, this is the first experience for the Company to implement this technology in construction," Eng. Othman bin Maktoum Al Mandhari stated. Al Mandhari expressed his pride for the Company stands among the first companies

in the Sultanate to use the 3D printing technology in construction. He remarked that the Company is currently working on developing several small buildings using this technology, of which details will be announced soon.



Othman Al Mandhari: The programme empowers Innotech to expand its services by implementing 3D printing in architecture and construction sector





## OPAZ granted the powers of services offered in "Invest Easy" Portal





The Ministry of Commerce, Industry and Investment Promotion and the Public Authority for Special Economic Zones and Free Zones (OPAZ) signed on June 29, 2021 a technical cooperation programme.

The programme was signed by HE Dr. Saleh bin Said Masan, Undersecretary for Commerce and Industry, and HE Eng. Ahmed bin Hassan Al Dheeb, Deputy Chairman of the Public Authority for Special Economic Zones and Free Zones.

According to the programme, the powers of all electronic services, provided by the Ministry of Commerce, Industry and Investment Promotion via the "Invest Easy" Portal, will be granted to the one-stop shop in OPAZ.

This cooperation programme aims to facilitate and simplify the procedures for investors to obtain all the approvals, permits and licenses necessary for their investment projects in a one-stop shop and a specific period of time. It also serves forming a system of integrated services for investors, in order to create added values for a business environment that attracts investments in the Sultanate.

Further, the programme intends to raise the standard of services provided to investors by fast-tracking, simplifying procedures, consolidating relations with the relevant partners to provide integrated services to the investor, as well as strengthening the relationship with the investor to deliver a safe and attractive business environment.

Raising the standard of services and providing an attractive investment environment are the key objectives

### Establishing two parks in Duqm Commercial District covering 10,000 sqm

#### : الدِفِم – Duqm -

The Public Authority for Special Economic Zones and Free Zones (OPAZ) is planning during Q3 of this year to establish two parks in the Commercial District at Duqm (Rock Garden District), over about 10,000 sqm of land. The first park covers 6,400 sqm of land, while the second spreads over an area of 3,500 sqm.

These two projects come in line with OPAZ plan to increase the green areas in the Special Economic Zone at Duqm (SEZAD).

The two parks are located in key locations at the Rock Garden District and are connected to the surrounding commercial and residential areas by pedestrians, and bicycles routes, and public roads. The masterplans of the two projects contain developing different facilities, including seating areas, multiuse play areas for different age groups, and spaces of walking and exercising. The projects are expected to add investment and tourism value to the area as they mark one of the basic requirements for modern life. They will be prepared to host cultural events and social activities in the commercial district. The parks will be an integral part of the lifestyle and daily activities in the district in particular and SEZAD general.





## Tailored to handle the world's largest container ships Awarding container cranes project in the commercial berth at Port of Duqm

#### \_\_\_\_\_ Muscat – الدقر :

The Public Authority for Special Economic Zones and Free Zones awarded the project to design, manufacture, supply, install, test and operate container cranes and bridge cranes for the commercial berth of Duqm Port.

The project includes installing 4 Ship-To-Shore (STS) gantry cranes and other 12 Rubber-Tyred Gantry (TRG) cranes.

#### **Automated STS cranes**

The STS cranes, selected for the commercial berth at the Port of Duqm, are equipped with (5G) technology. They are state-of-the-art machines, which are remotely controlled by the crane operator from a Liebherr Remote Operator Station. Each crane will have its own dedicated operator. The majority of the loading and unloading operations will be carried out automatically, with the crane operator only involved when actually placing down or picking up a container on land or on a ship.

The cranes also have several key features including a loading capacity of 65 tonnes, a reach capacity of 71 metres and a rear reach of 18 metres, enabling it to handle the world's largest container ships. The rail size is 30.5 metres (100 feet), and the lifting height reaches 50 metres above the rail level while the lifting depth is 20- metres below the rail level. The crane's bridge for each side of the power is 550 metres long and other features include having the optical fiber system for data transmission and the remote control station for the crane operator.

#### Lifting speeds

The cranes also feature high lifting speeds of 180 metres per minute for the empty distributor and 80 metres per minute for a load of 65 tonnes. The trolley trip takes one minute for a distance of 240 metres, and one minute for a crane trip for a distance of 40 metres.



The new cranes are equipped with (5G) technology, fiber optic system and remote control

Carrying out the loading and unloading operations automatically with the support of crane operator only



Automation in the crane includes collision obstacle detection, 3D-patterning of the ship using Lidar technology, automatic steering systems in horizontal and vertical positions, spreader tracking, anti-sway, yard monitoring system with under-going lanes, and automatic landing system.

#### **Rubber-tyred cranes**

The automated Rubber-Tyred Gantry yard (RTG) cranes are similar to the STS cranes, for they are remotely controlled. These cranes automatically select containers and place them on container bundles with the required operator when placing or picking a container from a truck. The operator's role is less compared to the STS cranes, which is why the 12 RTG cranes will be operated by

four remote operating stations. These up-to-date cranes can accommodate 8 containers in addition to one lane for trucks and 6 containers can be stacked in a vertical height, with a lifting capacity of 41 tonnes. The cranes are equipped with a Wi-Fi network, and a unique anti-skew and antisway system, as well as automatic driving system, automatic landing system, trailer lift prevention system, three-dimensional measurement.

The commercial berth is 2.2 km long and includes 5 terminals, including a multipurpose terminal, a rolling cargo terminal, a container terminal, a marine terminal, and a bulk and dry material terminal. The Port of Duqm Company is currently operating the commercial berth through mobile cranes.

Container cranes feature a loading capacity of 65 tonnes, high speeds and automatic driving system

Providing yard cranes with the latest specifications and anti-skew and anti-sway



2021 With an office like this, cranes are operated and controlled remotely

## Ras Markaz is gearing up to receive crude oil "OTTCO" puts final touches on the region's largest crude oil storage centre

The strategic location qualifies Ras Markaz to be an important global centre for crude oil storage

#### Interviewed by Mohammed bin Ahmed Al Shezawi Photos by Saleh bin Nabhan Al Maamari

The Oil Storage Park, developed by Oman Tank Terminal Company (OTTCO), is a dynamic project aimed at storing all types of crude oil in large quantities outside the Strait of Hormuz. This allows international companies to store their oil in Ras Markaz, either for shorter or longer periods.

Ard Van Hoof, CEO of Oman Tank Terminal Company, expressed his delight for seeing the project approaching full completion. Speaking to , he said, "The Company's vision is to contribute to expanding crude oil storage operations in the region and facilitating distribution worldwide in a way that enhances the government's efforts towards economic diversification. The station and crude oil storing facilities in Ras Markaz were designed up to the best international standards," he stressed.

#### International crude oil storage centre

Ras Markaz Oil Storage Park is distinguished by its strategic location nearby the emerging markets in Asia and Africa. "We aspire to become the largest crude oil storage project in the Middle East to serve as an important global crude oil storage centre due to the strategic location of Ras Markaz on the Arabian Sea, overlooking the Indian Ocean. The Park will meet the markets' needs, connecting the markets in South Asia, far East and Africa. The project will contribute in the long-term to place the Sultanate as a major centre for storing bulk



Ard Van Hoof: Our vision focuses on expanding crude oil storage in the region and facilitating distribution worldwide

and liquid products in the region," the CEO commented.

## Contributing to economic diversification

The CEO believes that the crude oil storage project in Ras Markaz on one hand, and the Company's ambition on the other hand to develop a network of stations in the Duqm Port backs the government's efforts to diversify the economy. "The projects in Ras Markaz and Duqm bring





many economic and commercial gains. They provide the infrastructure and flexibility for thriving the oil and petrochemical sector and the alternative energy sector as well. They will also contribute to increasing the number of marine vessels to transport oil, petrochemicals and gas products coming to the Sultanate," he explained.

#### Attracting investments to Duqm

Ras Markaz Oil Storage Park has its ability to attract investments to the Special Economic Zone at Duqm (SEZAD). Commenting on this, the CEO stated, "Promoting the Park and its capabilities, the concessions and tax exemptions increases the competitiveness of Ras Markaz and Duqm. Likewise, the benefits offered by SEZAD, tax incentives, services and modern infrastructure in Duqm support the attractiveness of Ras Markaz and Duqm project in general".

#### Connecting the park to oil fields

In the project's first phase, Ras Markaz Oil Storage Park will receive oil by sea through ships that will pump oil to the Park through pipelines extending to 7 km at sea and 3.5 km on land. However, it is expected that in the future the Park will be connected to the oil fields in the Sultanate. "We have started, in cooperation with international consulting companies, preparing 3 feasibility studies

to assess the possibility of connecting Ras Markaz Park to oil fields in the future. This comes with aim to supply the refinery with its crude oil needs and establish an alternative site for the export of crude oil".

#### Strategic objectives

Oil Storage Park achieves many strategic objectives for the oil sector. In addition to being a global hub for oil storage, it marks an additional destination for the export of crude oil when it is connected to oil fields. Thus, Omani oil can be exported either through Mina Al Fahal or Ras Markaz. Simultaneously, the Sultanate can store oil in this location, especially when global demand declines and the Sultanate has a surplus in production. Also, Ras Markaz Park is regarded a key supply source that meets the needs of Dugm Refinery of crude oil. The Refinery is connected to the Park with an 80-km long pipeline, and 8 huge tanks have been built to store the Refinery's oil.

#### Expanding offshore facilities

According to the CEO, the future plan of Oman Tank Terminal Company includes expanding offshore facilities to import and export crude oil in order to meet the technical needs of different categories of oil tankers such as Suzimax, Panamax and other supertankers to attract different types of The project aims to store all types of crude oil in large quantities outside the Strait of Hormuz

The incentives provided by SEZAD support the competitiveness of Ras Markaz Park





Preparing 3 feasibility studies to assess the possibility of connecting Ras Markaz to the oil fields in the Sultanate

Ras Markaz Park provides the Sultanate with an additional destination for crude oil exports oil from many countries. This is in addition to the Omani oil, which provides Duqm Refinery the opportunity to purify different types of crude oil. "With the availability of different types of crude oil, oil traders will have the ability to mix new different grades of crude oil," the CEO commented.

#### Marketing the project overseas

With the great efforts being made by the Sultanate's Government and other governments worldwide to combat Coronavirus and the global trend to lift the associated restrictions, OTTCO is seeking to intensify its efforts to promote Ras Markaz, Duqm and storage facilities worldwide. This comes in line with the Company's efforts to attract investors and various oil and gas products. "The pandemic has left us with limited possibilities to meet in person with a potential user of storage capacity to discuss and showcase our storage facilities or to join commercial campaigns to promote Ras Markaz and Duqm. However, through virtual meetings and calls, we were able to connect with potential customers to discuss their future storage requirements, resulting in a good number of projects in our pipeline development," he said.

#### Important achievements

The project consists of two parts; the first is marine works, bringing the floating station for import and export, which is located about 7 km far from the shore. It also includes two offshore pipelines with a 42-inch diametre and associated systems. The second part is the onshore works, which include civil works, mountain crushing, building oil pumping and water treatment systems, building reservoirs and a network of power stations, along with other systems.

Highlighting the volume of work that has been accomplished on site, Eng. Salim bin Marhoon Al Hashmi, Project General



Salim Al Hashmi: We expect to start operations in Q1 of 2022

Manager, said "The marine works were completed in Q1 of 2021, while the second part recorded 70% completion by June end. The infrastructure required to store crude oil during the first phase is almost ready, and expect operations are expected to start in Q1 of 2022".

#### Huge storage capabilities

Eng. Salim bin Marhoon Al Hashmi clarified, "The storage infrastructure that was established on site is capable of meeting the needs of storing 25 million barrels of oil. However, the Park is prepared for any future expansion. The site covers around 10 sqkm of land currently, but the total area allocated for the project is 40 sqkm, marking the Oil Storage Park is capable to store up to 200 million barrels of oil.

#### **Complicated operations**

Al Hashmi stressed that storing oil is not an easy process, but rather a very complicated one. He noted, "The oil that is pumped from ships to the floating station at sea and then to the pipelines is subject to a number of technical checks before being pumped into the giant oil tanks in a bid to protect the station's systems. There may be impurities in the crude oil that companies require to





Nasser Al Bakri: We are ready for the operational stage and we have started qualifying Omani cadres ahead of time

store with us, so the plant's facilities include a crude oil processing area that brings a system for checking the quality of oil and purifying it before being pumping into the tanks".

#### **Multiple facilities**

The giant tanks are located at an altitude of 110 metres above the sea level, which means that the oil will flow easily to the ships, and will not require pumping, unlike the oil received at the terminal from ships. Eng. Salim Al Hashmi commented, "The floating terminal for importing and exporting oil was built to receive the largest oil tankers, and the terminal is considered the deepest in the Sultanate. The terminal is the Company's storage capacity increases, connected to 4 main pumps to lift up the oil, while the site is already equipped with other

additional pumps to meet the increasing demand for storing oil in the terminal". The project also includes a seawater extraction station, another seawater drainage station, secondary power stations, tanks and firefighting systems.

#### Getting ready for operation

We often ask ourselves as we witness the launch of a new project; is the company ready to operate the project with the required efficiency? In this regard, Nasser bin Hamad Al Bakri, Operations Manager at OTTCO, replied, "The Company had earlier hired many Omani operators, and trained about 30 graduates in specialised institutes to join the Company post completing their training. The Company was also keen to train Omani youth to operate and maintain the project's systems through the main contractor".

#### Offering 2,500 job opportunities

As job opportunities are concerned, OTTCO, through its two projects in Ras Markaz Crude Oil Storage Park and the liquid materials export terminal in the oil berth at Port of Dugm, has provided more than 2,500 direct and indirect job opportunities. The number of jobs during the operating phase will reach about 500 direct and indirect jobs. As more jobs will be generated accordingly.



The plant is set to store 25 million barrels of oil in the first phase

A floating terminal was built to export and import oil and receive the largest tankers. The terminal is the deepest in the Sultanate

The future plan includes expanding offshore facilities to meet the technical needs of supertankers

Providing 2.500 direct and indirect job opportunities in Ras Markaz and the oil berth projects

## OPAZ cooperates with Turkish Gebze Zone to invest in Duqm



During the signing ceremony attended by Turkish Ambassador to the Sultanate and Oman's Ambassador to Turkey

Asila Al Samsamiyah: The Ministry confirms its endeavor to attract strategic investments and promote national economy's features

 $\bullet \bullet \bullet$ 

#### 

Ahmed Al Dheeb: We welcome Turkish investors to invest in various sectors in SEZAD and other zones

#### الدقم Muscat – العقم الع

The Public Authority for Special Economic Zones and Free Zones (OPAZ) and the Ministry of Commerce, Industry and Investment Promotion signed on May 24, 2021, a cooperation programme with a trade delegation from the Turkish Gebze Organized Industrial Zone (GOSB) to attract Turkish investments to the Sultanate through the Special Economic Zone at Duqm (SEZAD).

The cooperation programme was signed by His Excellency Eng. Ahmed bin Hassan Al Dheeb, Deputy Chairman of OPAZ, Her Excellency Asila bint Salim Al Samsamiyah, Undersecretary of the Ministry of Commerce, Industry and Investment Promotion for Investment Promotion, and Mr. Fahit Yildirim, Chairman of Turkish Gebze Organized Industrial Zone.

#### Welcoming Turkish investments

Signing the programme reflects OPAZ efforts, in cooperation with the Ministry, to attract various investments to the Special Economic Zone at Duqm. "The Turkish delegation will explore the potential opportunities in Duqm to attract the Turkish companies. OPAZ is fully prepared to provide all facilities to these companies, which could easily access the regional and African markets through the Port of Duqm", stressed HE Deputy Chairman of OPAZ.

His Excellency also affirmed that OPAZ welcomes Turkish investors in various sectors to make the most of the resources available in SEZAD and any other zones related to OPAZ. As well, there are lands designated for gas-dependent projects as the gas pipeline project to Duqm is already completed and Duqm Refinery Project is on the way to complete too", stressed HE Deputy Chairman of OPAZ.

#### Promoting national economy's features

HE Asila bint Salim Al Samsamiyah pointed out: "In light of the interest in developing trade relations between the Sultanate and the Republic of Turkey, different ways of strengthening trade cooperation between the two countries in various spheres were discussed in the meeting. Likewise, the delegation expressed high interest to form real partnerships in the targeted sectors, so the delegation will visit a number of concerned bodies during their stay in the Sultanate".





Al Samsamiyah explained that the Ministry is going on towards achieving its vision and mission, reflecting the objectives of Oman Vision 2040. This confirms the Ministry's constant endeavor to powerfully market the national economy's features.

#### Increasing trade volume

The Turkish delegation visit to the Sultanate is organised by the Ministry of Commerce, Industry and Investment Promotion, represented by the investment promotion sector, in cooperation with OPAZ. The visit aims to discuss ways of trade and investment cooperation between the two countries and to meet with officials from a number of concerned parties.

The meeting was attended by HE Ayse Sozen Usluer, Ambassador of the Republic of Turkey to the Sultanate, and HE Qasim bin Mohammed Al Salhi, Oman's Ambassador to Turkey. During the meeting, the bilateral relations between the two countries were reviewed and the investment environment and opportunities and incentives offered by OPAZ to investors were presented as well. Moreover, the delegation was briefed on the most promising sectors that the Sultanate focuses on, infrastructure projects and economic projects that are relied upon during the coming era to attract foreign capitals.

Besides, the meeting also touched on opportunities to increase the volume of trade exchange between both countries and highlighted ways to enhance the presence of Omani companies' exports in the Turkish market in particular.

#### **Objectives of cooperation programme**

According to the cooperation programme, the Public Authority for Special Economic Zones and Free Zones will allocate a land in the Medium Industries Zone at SEZAD, so that the Turkish Gebze Organized Industrial Zone, as an investment developer, will promote the zone to companies operating in its industrial zone.

#### A visit to Duqm

During its visit to the Sultanate, the delegation visited the Special Economic Zone at Duqm (SEZAD) to get familiarised with the infrastructure in the Zone and its most key components. The visit included the Medium Industries Zone, where the model for the Turkish industrial zone in Duqm will be established. The delegation also visited the Port of Duqm and a number of other developments.



Turkish delegation expressed interest to form real partnerships in the targeted investment sectors

Discussing ways to enhance the presence of Omani companies' exports in the Turkish market



## Duqm Quarries receives 3 international quality certificates

Ali Al Zadjali: Implementing the best standards in quality management, environmental management, and occupational health and safety

Introducing drone technology to determine mining sites and calculate quantities in the quarrying operations

Drone technology provides accurate readings of the quantities exploited in mining sites

#### ليدة م Duqm – الدق

Duqm Quarries Company, a subsidiary of Oman Investment Authority, has received 3 international quality certificates in the field of Environmental Management (ISO :14001 2015), Quality Management (ISO :9001 2015), and Occupational Health and Safety Management (ISO 2018 :45001).

Eng. Ali bin Abdullah Al Zadjali, CEO of Duqm Quarries Company, commented that these certificates reflect the Company's keenness to adopt modern methods in what we do and implement the best standards in quality management, environmental management, and occupational health and safety.

"The Company has worked since inception in 2017 to attract the latest technology in the field of quarrying, in line with its objectives to be one of the leading companies in mining and quarrying sector in the Sultanate," he stressed.

#### Introducing drone technology

In this regard, Al Zadjali pointed out that Duqm Quarries Company introduced in May the drone technology to determine the appropriate locations for mining operations and to calculate quantities in the quarrying operations using the (pix4Dmapper) system. This is regarded one of the best technologies used in this field, explaining that the Company is one of the first Omani companies, operating in mining sector, is adopting the new technology.

"By having this technology, the Company is seeking to reach the best modern practices in mining activities, as it saves effort, time and money for the Company. Most importantly is that the new technology is being operated at the Company by qualified Omani cadres," Eng. Ali Al Zadjali explained.

He clarified that using the (pix4Dmapper) system contributes to accurately determine the quantities of minerals or backfills available in mining and quarrying sites, and to provide precise readings of the quantities exploited in mining sites, explaining that this technology is one of the best modern techniques used in this field.









MANATÖ

Special supplement about Salalah Free Zone



Special supplement on free zones, released with 24<sup>th</sup> issue of Duqm Economist Magazine – July 2021

# Invest in Salalah

#### By Mohammed bin Ahmed Al Shezawi

Photos by Saleh bin Nabhan Al Maamari

According to the statistics issued by Salalah Free Zone, the number of usufruct agreements signed by the Zone until the beginning of this year reached 95 agreements with an investment volume of 8.8\$ billion, valuing around RO 3.3 billion. These numbers reflect the local and international interest in Salalah free Zone.

While doing a special coverage to the most prominent projects in the Zone, we selected a group of factories and companies that reflect part of the economic traffic in the Zone. On the other hand, there are other investments that are of similar importance to the ones we have highlighted. Octal Petrochemical Company, which we could not cover in this issue, is the largest producer of polyethylene terephthalate sheets worldwide. It marks one of the first companies that started its business in Salalah Free Zone. As well, there is a number of other projects, which will be covered in the upcoming issues of the

Through the supplement MADATG issued by  $\mathcal{A}_{M}$ , we call on companies and the local and international private sector to explore the investment opportunities available in Salalah Free Zone.

Port of Salalah: A global centre for industrial and logistic activities

28



Establishing a pharmaceutical 32 complex that will transform the free zone into a regional centre for the pharmaceutical industries



Salalah Free Zone administration building

CEO of Salalah Free Zone speaks to

## Our strategic plan aims to transform the zone into a global destination for investments

Dr. Ali bin Mohammed Tabouk

#### الدقرم Salalah - الم

Preparing the zone to be an integrated logistics destination to approach various regional and global markets

> We strive to attract \$20 billion investments

Dr. Ali bin Mohammed Tabouk, CEO of Salalah Free Zone, one of Asyad Group's key sectors, confirmed the increase in the local and international interest to invest in the Zone. In this regard, he said, "The number of usufruct agreements signed by the Zone until beginning of this year reached about 95 agreements with an investment volume of \$8.8 billion, equivalent to RO 3.3 billion. Further negotiations are under process to bring many other projects in different sectors".

In an interview with a strategy for the period from 2013 to 2028. "The Zone seeks to attract investments of \$20 billion, and complete the construction of infrastructure that supports attracting local and international investments," he commented.

"As part of the vision and strategy of Asyad Group to provide an integrated package of competitive logistics solutions and enhance the Sultanate's standing in the global logistics map, Asyad has recently unified its brand for the different logistic sectors. Accordingly, Salalah Free Zone comes among the main sectors that will be branded under "Asyad Free Zones - Salalah", which is highly relied upon within the National Logistics Strategy 2040. This will enhance supply chain due to Salalah geographical location, being close to the global shipping lines, in addition to providing many advantages, investment incentives and logistics facilities," explained the CEO.

#### **Business and technical plans**

He clarified that the Zone's strategy until 2028 is divided into the commercial and technical business plans, which constitute the base of all plans and development programmes for Salalah Free Zone. He added, "The business plan is concerned with all activities, studies, research and promotional programmes related to attracting investments. On the other hand, the technical business plan focuses on developing and providing the infrastructure, facilities and services needed by existing and future investments".

#### **Global investment destination**

The CEO stressed that this strategy, which was developed by consultants and specialised experts, aims to mark Salalah Free Zone a global destination to attract investments that are in line with the government policy and pillars of Oman Vision 2040 to diversify sources of income and create new job opportunities for Omanis. "The strategy focuses on attracting essential projects in various fields. Logistic services, such as warehousing, redistribution, manufacturing and textile industries, petrochemicals, pharmaceutical industries, food industries, re-manufacturing projects, recycling plastic materials, installation and assembly, projects related to the use of national resources as production inputs, and many other value-





added projects to the national economy," he noted.

#### **Productive projects**

In regards to the number of productive projects in Salalah Free Zone, Dr. Ali bin Mohammed Tabouk pointed out, "Despite the challenges of Covid-19 Pandemic, the projects in Salalah Free Zone have continued to increase as a result of the competitive advantages and logistics services provided to local and foreign investors. Therefore, the number of investment productive projects in the Zone is currently around 23 projects in various sectors, including food industries, petrochemical, pharmaceutical industries, logistics gypsum boards, services, warehousing and redistribution, and remanufacturing, installation, packaging, packaging and assembly projects. The total volume of its investments records more than RO 1.1 billion. However, the number of under establishment investment projects is 14 projects with an investment volume reaching around RO 662 million.

#### Zone's objectives

He touched on the objectives of Salalah Free Zone, which is spreading over and area of 21 million sqm, covering two investment zones, Raysut and Adhan. The CEO noted, "The objectives of the Zone include providing opportunities for local businesses and businesspersons, increasing the Gross Domestic Product (GDP) and thriving the economic development. This would be made possible by attracting investments of high to medium added values, providing a work environment with global and competitive standards, finding the latest solutions for supply and logistic services, and providing job opportunities for Omanis in a way that contributes to developing their capabilities and gaining expertise. In addition to that, transferring knowledge and modern technology, and making the most of the natural resources available in the Sultanate".

#### **Development phases**

The CEO of Salalah Free Zone highlighted the development phases that the Zone has gone through since establishment in 2006 in accordance with Royal Decree No. (62/2006) issued on June 20, 2006. "Since inception, the Zone has focused on many objectives that placed Salalah Free Zone on the map of global investments through a number of measures, such as preparing human resources to achieve this objective, establishing the legal framework of the free zone, developing a strategic action plan and translating the plan into a master plan. Other measures include activating the Royal Decree to determine the public benefit of the free zone lands, providing basic services for the Zone such as electricity, water and gas, activating global marketing and attracting investments, as well as constructing the administrative building of the free zone," the CEO added.

#### Supporting growth of free zones

To shed light on the existing cooperation between the Zone Management and the Public Authority for Special Economic Zones and Free Zones (OPAZ), he said that



of expected investments, according to the usufruct agreements

the volume

The investments of productive projects exceed RO 1.1 billion, and RO 662 million for projects under establishment

Establishing economic and free zones provides investors with various investment opportunities and options We focus on providing a world-class and competitive work environment and attracting high valueadded investments

A TA ANT THE PARTY

Establishing the zone achieved economic and social gains and contributed to promoting SMEs

the establishment of OPAZ will enhance and support the growth of the free zones sector, which would contribute to achieving economic and social development.

He also noted, "The Sultanate has several elements that make it a perfect destination for investment, such as security and political stability as well as the strategic location of the Sultanate and its richness in various natural and industrial resources. The establishment of economic and free zones provides investors with various investment opportunities and many investment options," he remarked.

#### **Job opportunities**

He said that the total direct job opportunities provided by the Zone are about 2,200 jobs, and the Omanisation rate is 36%, which is higher than the percentage specified in the Royal Decree on the establishment of Salalah Free Zone. The CEO also stated that the Zone contributed to providing many indirect job opportunities estimated at about 4,400 jobs, bringing the total direct and indirect job opportunities provided by the Zone to about 6,600 jobs.

#### **Localising projects**

Dr. Ali bin Mohammed Tabuk, CEO of Salalah Free Zone, confirmed in his closing note that Salalah Free Zone, which celebrated on June 20, 2021, the 15th anniversary of inception, was able over the years to localise many projects. "Localising the investments targeted in Salalah Free Zone led to the achievement of many economic and social gains. Among these benefits providing business are opportunities national companies, offering job for opportunities for Omanis, transferring knowledge and technology and utilising the natural resources available in the Sultanate. Other advantages include developing the financial sector and many other economic sectors such as services, construction, health services, real estate, consumer items, in addition to providing business opportunities for SMEs," the CEO said.



## Delivering phase 2 of Mazaya Logistics Station over an area of 25,000 sqm

Ahmed Tabouk: Providing electricity, water and telecommunications services, and meeting security and safety requirements

#### الدقم Salalah - Rugm:

July

-----

Salalah Free Zone announced the completing the construction works of Mazaya Logistics Station (2), covering an area of 25,000 sqm. This milestones follows the success marked by Mazaya Logistics Warehouses (1), which have been built over and an area of 34,000 sqm. These warehouses are fully leased, bringing the total storage area of Mazaya Logistics Station to 59,000 sqm.

Ahmed bin Said Tabouk, Commercial Director at Salalah Free Zone, pointed out that through Mazaya Logistics Station, Salalah Free Zone seeks to attract more investments by providing ready-made warehouses for high-quality storage that are designed for activities of the light and medium industries. He also clarified that Mazaya Logistics Station provides investors with warehouses and storage facilities of different areas ranging from 350 sqm to 8,000 sqm.

He further confirmed that many services are available in the newly built warehouses; most notably are electricity and water infrastructure with a standard power of up to 2 megawatts, security and safety requirements, loading and unloading area, and communications infrastructure. As well, it has been taken into account the requirements of factories for hard floors that are designed with a high potential capacity of 3.5 tonnes per square metre. The new warehouses keep pace with the needs of light and medium industries, offering spaces of up to 8,000 sqm Mark Hardiman

### CEO of Salalah Port Services Company speaks to

We work with the Zone to place Salalah as a global hub for industrial and logistics activities

Offering an integrated package of benefits and services in cooperation with other partners in the free zone and Salalah Airport

#### الدقم Salalah - Dugmi:

Mark Hardiman, CEO of Salalah Port Services Company SAOG, the company managing the Port of Salalah, commended the vital role played by the Port towards the development of Salalah Free Zone (SFZ). Strategically located directly adjacent to the main East-West shipping route, Salalah provides the region's fastest access point to the wider Middle East, Indian subcontinent and East Africa. The Port is situated well-away from the Straits of Hormuz, reducing carrier insurance premiums and overall freight costs. This serves a major factor to attract international shipping companies mark the Port and free zone as their call destination.

Speaking to and, the CEO highly valued the strong business ties cemented between the Port and the Zone, which are contributing to thrive the national economy of Oman, mostly in the fields of shipment and exports.

## International hub for industrial and logistics activities

"It is undoubtedly very essential to work closely with the free zone management for the Port is the gateway to Salalah and we play a significant role to thrive the zone with our transshipment activities. Likewise, we work in parallel towards achieving one objective, reflecting a unified vision to be the global leading hub for quality industrial and logistics activities," the CEO explained.

"We are working closer than ever to serve a single mission, seeking commercial opportunities and attracting investors. As a port and zone, we mostly target certain segments of customers and businesses, offering an integrated package of benefits and services that meet their potential business needs and requirements. Most importantly, what supported developing the free zone is Salalah's global location, connectivity and cost competitiveness. All these elements provide a unique advantage in terms of reach, enabling global sourcing and exporting from and to the world, and competitive total landed costs," he stressed.





#### **Collaborating with key partners**

In view of this, the CEO also highlighted the Port's role in collaborating with other key partners in Salalah. He pointed out, "Serving our strategy to move on as one brand destination rather than different businesses, we ultimately need to involve Salalah Airport as an important strategic partner in business. We could create very strong commercial cooperation to identify and target the right segments of investors and customers for all partners in one integrated plan, selling a solo comprehensive package of products and services. Here we hit two birds with one stone, joining hands to promote Salalah Free Zone and obtaining benefits for all partners". "The airport, for instance, stands as a very essential pillar for the integrated logistics solutions in Salalah as customers are very demanding these days and giving them alternative logistic options is a plus point for us. Hence, we always strive to sustain and develop the relationship with relevant stakeholders to ensure all are streamlined towards making a success in business and boosting the economy in the Sultanate," he commented.

#### **Continuing success**

Commenting on the Port's last year's performance, Mark Hardiman, CEO of Salalah Port Services Company, said: "We pride ourselves for being successful over the last 22 years in trans-shipment to serve our

customers in terms of geographical location and productivity. The success march continues despite the challenges observed in 2020 due to the impact of Covid19-Pandemic. Last year brought uncertainty into the business with the pandemic's impacts affected the economy all over the world".

"However, our team was striving to ensure smooth operations of our customers supply chain during these uncertain times. Further, the team also ensured that vital supplies moved in and out of the country swiftly. Despite the challenges, we had an impressive performance towards the yearend with the highest volume of containers handled was 4.3 million TEUs (Twenty-Foot Equivalent Units) comparing to 4.1 million TEUs in 2019. Last year, the Port has succeeded to retain all major customers," he added.

### A destination for international shipping lines

Three of the World's largest shipping lines call at the Port of Salalah offering connections to global hubs. The key shipping customers are Maersk, the world's largest shipping company and Mediterranean Shipping Company (MSC) the world's second largest shipping company. "We handle volume for these two strategic partners, marking 80 % of volume that is being handled by the Port," CEO of Salalah Port Services Company said.



Strategic location, connectivity to international destinations and reduced costs promote the Port's competitiveness

International shipping companies mark the Port of Salalah and Salalah Free Zone a destination of call

During Coronavirus Pandemic, we ensured that vital supplies swiftly moved in and out of the Sultanate



Chief Corporate Affairs Officer at Salalah Port Services Company: We are committed to CSR and focusing on sustainable programmes

Mohammed Al Mashani



#### الدقرم Salalah - الدقرم:

Mohammed bin Oufeet Al Mashani, Chief Corporate Affairs Officer at Salalah Port Services Company confirmed that the Company have made significant efforts in boosting Omani talent in specific areas such as marine pilotage, process excellence, finance and human resources, and crane and heavy equipment operations, to name a few. As joint venture with international shareholders, the Company introduces international training programmes and insightful learning experiences for our employees. Through investments in different technical and vocational training programmes, Omanisation in the skilled labour categories stands at an impressive 75 per cent, while records 90 – 80 per cent in the senior and middle management levels.

**Giving back to community** Commenting on the Port's contribution to social responsibility, Al Mashani noted, "We strongly believe in a philosophy that is aligned with sustainability and volunteerism pillars. Our CSR commitment covers different aspects including environment, education, direct support to local community and charities to give back to community".

"Port of Salalah with a strong commitment to corporate citizenship was and is committed to contribute to the progress and sustainable development of local communities in which we operate. We have been for example for the last 4 years partnering with Oman Charitable Organization to support (65) families with low income to rehabilitate their homes. Moreover, different training programmes and training-for-employment internships were conducted for graduates, students and undergraduates to instill them with first-hand experience," he added.



Boosting Omani talent in marine pilotage, process excellence and crane and heavy equipment operations

## Forming a team to study the possibility of localising pharmaceutical industries in Salalah Free Zone

الدفر Muscat- Dugmi

The Public Authority for Special Economic Zones and Free Zones (OPAZ) has formed a team representing a number of concerned authorities to study the possibility of localising pharmaceutical industries in Salalah Free Zone.

The team comprises specialists from OPAZ, Ministry of Health, Oman Investment Authority and Salalah Free Zone.

Forming the team comes in light of the increasing interest in the pharmaceutical industries worldwide, especially post the spread of Covid-19 Pandemic. As well, it reflects OPAZ plan to attract local and international corporates to invest in this sector and expedite the associated procedures.

OPAZ is seeking to make Salalah Free Zone a centre for pharmaceutical industries due to the zone's supportive infrastructure, in addition to its geographical location on the route of international lines as well as the flexibility of import and export through the Port of Salalah.

## Factors that qualify Salalah to be a centre for pharmaceutical industries

Greater access with shorter transit times to major global destinations, leading to lower cost and higher efficiency.

Land connectivity with Yemen and the GCC markets.

The Zone's geographical proximity to East African markets.

Sufficient capacity for sea, air and land transportation.

Low storage cost due to the low annual average temperature of °24C, causing less electricity consumption. Free trade agreements with major economies such as the USA, European Union countries and others.

Proximity to markets with a high population density that have shortfall of medicines and medical supplies.

Excellent supply chain infrastructure.

Adequate lands and storage facilities that are capable to control temperature to suit medicinal products and medicines.

Having a petrochemical industry that complements the supply chains of pharmaceutical industries. CEO of Philex Pharmaceutical Industries

speaks to 💒:

Establishing an integrated pharmaceutical complex that will transform Salalah Free Zone into a regional centre for pharmaceutical industries

Philex factory, which is under construction in Salalah Free Zone

The project consists of 3 phases with investments reaching \$300 million

Dr. Waseem Hamad

We focus on manufacturing drugs and solid dosage forms general formulations in the project's first phase

#### الدقرم Salalah - Duama:

Dr. Waseem Hamad, CEO of Philex Pharmaceuticals Industries, confirmed that the Company is working to establish an integrated pharmaceutical complex that will transform Salalah Free Zone into a regional centre for pharmaceutical industries.

In an exclusive interview with with he pointed out that the future of pharmaceutical industries in the Sultanate is positive and promising. He also stressed that the Sultanate's presence on international shipping lines makes it a major export centre between East and West. "The interest that pharmaceutical industries is accorded by the Public Authority for Special Economic Zones and Free Zones and having the logistics infrastructure that support the growth of pharmaceutical industries, such as ports, airports and free zones, qualify the Sultanate to be a regional centre for pharmaceutical industries," He added.

The Philex Pharmaceutical Industries Complex consists of 3 phases with an investment of around US\$300 million.

#### **First phase**

Commenting on the project's construction phases, Dr. Waseem Hamad said that the Company signed a usufruct agreement with Salalah Free Zone in 2018. In the same year, the Company started the construction works of the complex, and established a secondary packaging unit, which went into production in May 2020. He is expecting that the Company will achieve a facelift in its products when operating the pharmaceutical complex. It is being currently under construction over a land area of 110,000 sqm.

The CEO of Philex Pharmaceuticals Industries explained, "The Company focuses in the first phase on manufacturing solid dosage forms medicines. Starting operations of the new building next year will shift the Company to the next phase of full manufacturing of medicines, launching the production lines for hard tablets and capsules, and the Sultanate's first line for producing injectable solutions".

#### **Company's products**

The Company produces currently around 12 medicinal brands with a future plan to





"The Company has 12 products registered in Salalah Free Zone includes attracting with the Ministry of Health and they are biotechnology and vaccine manufacturing marketed inside the Sultanate. We aspire companies to localise them in the Zone, to be able to produce 50 medicinal brands expecting the work to be completed in this over the next two years. The production phase in 2027. capacity of the secondary packaging unit is 12 million boxes annually, while the Localising raw material industry production capacity of the Company's under construction factory is one billion tablets Waseem Hamad said that our strategic and one billion capsules annually," Dr. plan for the third phase is to localise the Waseem Hamad stated.

treat various sectors of the medical needs of localised in the pharmaceutical complex. citizens in the GCC, especially diabetes and "We are currently coordinating with heart disease medicines. Due to the current Salalah Free Zone to establish the relevant circumstances of Covid-19 virus pandemic, infrastructure including technology and the Company strived to meet the demand treatment units. It is expected that the for anticoagulant medicines and antivirals. Company will be able to reach this stage As well, the Company last year supplied the by 2030, which means transforming Ministry of Health and the private sector Salalah Free Zone into a regional centre for healthcare institutions with some of the pharmaceutical industries," He added. main drugs approved in the Coronavirus treatment protocol," he remarked.

Attracting biotechnology companies

Ďυ

produce over 100 medicinal brands more. Pharmaceutical Industries Complex project

Regarding the project's third phase, Dr. raw material industry in the Sultanate by "The Company focuses on medicines that attracting international companies to be

#### **Research centres**

The CEO referred to the Company's association with the international research He said that the second phase of the centres specialised in the pharmaceutical



Soon we will launch Oman's first line for producing multiple dosage forms injectable drugs

Our strategic plan is to work with the free zone to provide infrastructure for promoting the medical hub in Salalah for international raw material manufacturers to localise strategic active ingredients industry in the Sultanate

The secondary packaging unit is approved by health authorities in Oman and **Qatar Ministry** of Health and the production capacity is 12 million units annually

70% of the first phase of the pharmaceutical complex has been completed

The factory is set to produce one billion medicinal tablets and one billion capsules annually



Attracting biotechnology companies and the vaccine industry in the second phase of the project

We have connections with a number of international research centres specialised in pharmaceutical industries

GCC and East Africa are our most prominent export markets. The Company is also targeting export to European Union countries industries. He further noted, "We had signed contracts to develop medicines with a group of international and Arab research centres, most notably in UK, Northern Ireland and Jordan. There is a close cooperation with the Innova Research Center to develop new pharmaceutical products that will be launched in 2023 and 2024. We also cooperating with manufacturers of pharmaceutical raw material in Italy, Denmark and India".

#### **Target markets**

To shed light to the target markets, Dr. Waseem Hamad said, "The Company's products are available in the Sultanate's markets, through a cooperation agreement that was signed with Mazoon Pharmacy, one of the national companies working in this field. In June 2021, the company-packaging unit was recently registered in Qatar, where we will start exporting our products as soon as the procedures of registering pharmaceutical items are completed. The Company has also started its procedures for registration in the GCC system for unified procurement. The concerned inspection team of this system will visit the Company in Q4 of this year".

He pointed out that the Company is also working on approaching other markets during the next year, including Iraq, Yemen and the countries of the African Coast.

He stressed that the Company is building its facilities and systems to be qualified to export to European countries. The CEO also stated, "The Company's factory is being built in accordance with international specifications of the US Food and Drug Administration (FDA) and the European Medicines Agency (EMA). Therefore, the Company can approach these markets, and will be able to market its products in European markets in 2027".

## Integrated training and development plan

Dr. Waseem Hamad, CEO of Philex Pharmaceuticals Industries, praised the Omani employees in the Company. In this regard, he said "We have worked since started the Company to prepare an integrated training and development plan, which included training courses within and outside the Sultanate. Today, around 70% of our employees are Omanis who efficiently manage the various production and quality management processes in the Company".





**Misbah Qutb** An Egyptian writer specialised in economic affairs mesbahkotb@gmail.com

## Medicine and the healing city

The city of Salalah spellbinds the hearts of its visitors from the first sight, especially during the rainy season and greenery as it becomes even more charming. Hence, the officials of the Salalah Free Zone have the right to promote the city for its unique location on the vital route of international trade heading towards India and Asia, or Bab Al Mandab and East Africa, and GCC too. Besides having modern infrastructure and other advantages and incentives, it is also blessed with its natural advantages and humankind. It is characterised by its friendly and ambitious people along with the beautiful nature of the sea, mountains and cliffs.

As the vision of Salalah Free Zone is very ambitious to be a leading global centre for high-quality industrial activities, nothing can reflect this more than the pharmaceutical industry with its complexities, and importance mark the mother of industries. Therefore, localising integrated pharmaceutical and medical industries in the free zone fulfills its ambition and meets objective national, regional and humanitarian necessities. This reflects the significance of this industry and its future and present economic viability to the Sultanate. In this regard, Covid-19 Pandemic has left us a clear message that is almost comparable to the classic message, conveying that countries should have their food, while having their medicine as well.

On the local front, the Sultanate is in an urgent need to increase the production of medicines through a leap in order to achieve an acceptable safety factor, and a comfortable sufficiency ratio with regard to the needs of its citizens from medicine, in general, and from essential medicines in particular. From humanity point of view, it is very obvious that the most effective forms of international cooperation are supplying medicine and other needs during hard times, and even in normal times. We have seen the battle over the demand to freeze intellectual property rights in the production of vaccines for some time, to prevent poor countries from producing and providing vaccines to their citizens as immunisation against Covid-19.

On the other hand, how it has been said that China and Russia benefited politically from facilitating industrialisation with others, while the West became strict until Biden took the initiative to change America's position, even though there are actual difficulties in implementation that need months to be overcome. What is even strange is that everyone knows that there is no escape for humanity from Coronavirus except by having effective immunisation in all countries, and this confirms my point on the value of ensuring human solidarity through medicines and vaccines. In the coming days, I think, some international indicators may arise to measure the country's ability to quickly

provide and make essential medicines available to its citizens.

I came to know that there are major agreements for pharmaceutical investment in the Salalah Free Zone, and it became clear to me that there is a comprehensive view of this industry in the Sultanate in general, and Salalah in particular. This is regarding everything related to this business in terms of storage, logistics, safe handling, accreditation laboratories, research, control, training, and quality. However, what I would like to point out is the importance to focus on what will be manufactured, and what is preferred in the end to be imported, with a precise definition of the concept of self-sufficiency in medicine, and not relying on the quantitative percentage of it without analysing its content.

In some countries, it happens that there are reasonably sufficient pharmaceutical factories or production lines, but the strong link to limited sources for the supply of extracts, raw materials or biological materials, or excessive dependence on the outside, and weak manufacturing flexibility. All of this can lead to disruption, even if it is temporarily, in factories, including decline in production in difficult times, which is very difficult indeed. The solution to this comes in the diversification of resources, of course, but also in expanding the industry, speed of producing alternatives, and taking care of herbal plants from which effective substances are extracted. In fact, Oman and Yemen are having plenty of such plants.

In addition, reading the production map in nearby Arab and non-Arab countries is extremely important to ensure an adequate amount of exports that support the selfdevelopment of national industry. I do not want to refer to the abundance achieved in cement production in the region, which impacted the exports of almost everyone. The pharmaceutical industry is different, but the main lesson remains. There is a clear trend in all countries of the world to establish comprehensive health insurance systems. Therefore, the coordination between the pharmaceutical industry and medical supplies and equipment and between the financing, technical and supervisory authorities on the medical insurance system must continue at all times. It should be supported by smart analyses of current and future needs for the benefit of all parties.

Finally, the sharp global competitiveness in the pharmaceutical industry necessitates the establishment of strong and effective associations that provide a fair benefit to their parties and ensure that they keep pace with the medicines of the future. Salalah, which heals the soul, will definitely be able to produce suitable and good medicines that cure the illnesses of the body.





## The Federal Drug Administration approves and registers products of "Apex Transgulf Manufacturing" in the first and second categories



♦♦♦
700 metric
tonnes of
products per
month with
300 types in
health and food
sectors

Our products were not affected by Covid-19 pandemic, rather witnessed an increase of demand

#### Salalah - Saleh Al Mamari:

Despite the exceptional circumstances that affected the production and supply chains globally due to the impacts of the Coronavirus pandemic, which had remarkable effects on many economic activities, Shayan Sumar, Director of Operations at Apex Transgulf Manufacturing LLC (ATM), based in Salalah Free Zone, has a different outlook.

While speaking to 🔬 Shayan Sumar believes that a number of sectors were not impacted as adversely as others by the pandemic, rather they witnessed demand increases as the world battled the virus. These include technology, healthcare, food & beverage, and certain service sectors. "Since ATM has a diversified product base, the demand for some of our products which are part of the healthcare, food & beverage industries witnessed an increase due to the pandemic. We supply both sectors with over 300 different products, including those related to the healthcare sector, such as facemasks, medical devices, and specialised collection bags.

#### **Company's capabilities**

The Director of Operations commented, "The Company employs 120 employees, while this year the management plans to add new production lines to increase plant output, automate existing processes, as



Shayan Sumar: Our products target 35,000 hospitals, clinics and medical care homes worldwide

well as to diversify into other sectors. The Company's current installed capacity is 700 metric tonnes monthly of different products at a rate of 23 metric tonnes per day. The Company is seeking to increase production and reach 1000 metric tonnes per month in the near future".

#### Widely spread products

Shayan Sumar addressed, "We are currently exporting our products to over 7 countries, including Europe, UK, United States, Turkey, and the wider Middle East region. The Company's Made in Oman products



36


are used in over 35,000 hospitals, clinics and medical care homes worldwide. The Company produces different forms and types of medical items and instruments that are carefully packaged as they are products associated with medical, food and industrial uses.

#### Internationally certified products

The Director of Operations stressed that the Company's focus on the quality of its products allowed it to get registered with the Food Drug Agency in USA. Likewise, its medical products were classified in first and second categories, noting that the certification process usually takes strict procedures and a long time in order to complete the international approval process. This marks a success for the Company and prides itself for its locally manufactured products.

#### Achieving national goals

Expressing his confidence in the future of the industrial sector, which has been accorded a high attention by the Government, the Director of Operations pointed out, "The Sultanate, through its 2040 vision, seeks to achieve many national and strategic gains, including achieving food and drug security. This encourages us to work harder and strive to achieve these goals. We expect that the number of projects in the industrial sector will increase in the coming years, which will enable us to meet the requirements of the local and foreign markets. In-line with the Government's visionary plans, we are continuously exploring new opportunities to diversify sources of income and utilise Oman's potential to maximise its non-oil exports.

#### **Choosing Salalah Free**

Commenting on choosing Salalah Free Zone to establish the factory, Shayan Sumar, Director of Operations at Apex Transgulf Manufacturing LLC, stated, "Locating our business here in Salalah was a pivotal decision for the Company as it wanted to take advantage of Salalah's strategic location which includes its natural sea depth, giving it some of the shortest lead times to major import and export markets globally. Salalah is also home to Salalah Port which has recently been rated 6th out of more than 350 ports in the world for having an efficient and well-run system. Moreover, the port is leading in terms of the capabilities and advantages it offers to the surrounding area, standing as one of the ports that enjoy flexible export and import operations with competitive fees."

Our location in Salalah facilitates an easy reach to customers in various countries around the

world

We focus on developing production lines, raising manufacturing efficiency and increasing productivity

The Sultanate's focus on achieving food and drug security encourages bringing more projects in these sectors





## Dunes Oman manufactures cars brakes for international

factories

Said Al Shahri: Having international companies contracting with Dunes Oman marks a source of pride

tonnes is the annual production and committed to deliver high quality products



Said bin Mohammed Al Shahri, Deputy Director General of Dunes Oman Company, which is operating in Salalah Free Zone, confirmed that a number of international car manufacturing corporates have chosen Dunes Oman to manufacture car brakes that are produced and distributed worldwide. In an interview with 2, he said "The most prominent international companies that contracted with Dunes Oman are BMW, Volvo, Toyota, Chrysler, Ford, Land Rover, Audi, Volkswagen, Hyundai, Kia, and Renault Group. Dunes Oman also contracted with ZF Company to distribute its products in a number of European markets. ZF is a manufacturer of auto parts located in Friedrichshafen in southwestern Germany". "Dunes Oman Company has other export markets in Asia, Africa and Latin America, and its list of products are very well-received," Said bin Mohammed Al Shahri added.

#### High quality and confidence

Al Shahri explained, "We pride ourselves for having international companies contracting with Dunes Oman, reflecting the confidence and high quality of the Omani industry. Dunes Oman has obtained a number of international quality-acknowledgment certificates, most notably the International Standard for Automotive Quality Management Systems (IATF 16949/2016). This certificate marks one of the most prestigious certificates that confirm the companies' commitment to achieving high levels in the quality of their automotive products.

#### **Encouraging factors**

Dunes Oman Company is part of the Indian BRICS Group, which was established in 1981 and works in the field of manufacturing brake spare parts products for light and heavy vehicles and several other industries. The Dunes Oman Company was established in 2008 in Salalah Free Zone, reflecting its role in promoting the Zone and attracting

Exporting our products to Asian, African and Latin American markets





#### investors from all over the world.

The Deputy Director General of Dunes Oman Company pointed out, "We value the role of Salalah Free Zone and the services provided to investors and its efforts in facilitating procedures and clearing investors' transactions. All the facilities and services provided by the Zone and its proximity to the Port of Salalah encouraged investors in the Indian BRICS Group to establish Oman Dunes Company".

#### **Production capacity**

Regarding the Company's production capacity, Said bin Mohammed Al Shahri noted that the production capacity is 36,000 metric tonnes annually, distributed on two production lines with a capacity of 18,000 tonnes per year for each. He also stated that the Company plans to increase its production in the future in parallel with the increasing demand for its products.

#### **Caring for environment**

He remarked that the Company is fully committed to protect the environment. "The Company's factory in Salalah Free Zone is an environmentally-friendly factory that depends on electricity in all its production processes. Using electricity reduces the hazardous emissions that come out from such factories. The factory, which was built over 121,000 sqm of land, does not produce any harmful substances to the environment, and the pollution is less than the rates specified by the Environment Authority. The landscaped area of the Company is 40,000 sqm; reflecting our concern for the environment," he explained.

#### **Raw materials**

The Deputy Director General of Dunes Oman Company touched on the raw materials used in the factory, saying "The production process in the factory depends on two main elements: silica sand, which we import from overseas due to its unavailability locally. The second element is scrap iron that we import from car factories in Asia and Europe. The imported scrap iron is subject to a number of conditions and specifications related to quality, especially with regard to being free from impurities".

#### Omanisation

Commenting on Omanisation, he stated that the Dunes Oman pays a great attention to developing Omanis and increasing the Omanisation rate, which currently stands at 20%. "Although this percentage is higher than the percentages set for free zones, we have a plan to increase it reach 40% through training Omani youth and attracting engineers and technicians to work in the Company. We focus on qualifying Omanis for better positions, whom we believe are very competent", he said.

#### Social Responsibility

Said bin Mohammed Al Shahri, Deputy Director General of Dunes Oman, confirmed that the Company supports many social and sports events in the Governorate of Dhofar. It also contributes to many corporate social responsibility initiatives, in addition to its role in supporting SMEs. Our support stands at awarding contracts, maintenance works, purchasing building materials and renting equipment to SMEs.

Some of the spare parts delivered to international car manufacturers

Port of Salalah, zone's location and provided facilities are key attractive factors for investors to establish the factory in Oman



depends on electricity for production operations and is regarded environmentfriendly

We focus on developing Omanis and qualifying them for better positions



### Arif Abdul Ghani, General Manager of SAJA:

My first report submitted on Salalah Free Zone recommended a worthy investment

#### الدق Muscat – المقام الم

Providing open spaces for investors up to 5,000 sqm per unit

We focus on attracting various investments in food, shipping and logistics services After the issuance of the Royal Decree No. (62/2006) establishing Salalah Free Zone, issued on June 20, 2006, a number of Arab investors met to discuss the possibility of investing in the Zone.

"I came to Salalah for the first time in September of 2007. At that time, the Governorate of Dhofar was enjoying the post Khareef season as greenery was spread all over the mountains, which are only a few minutes away from the city centre of Salalah. Similarly, the people whom I met by chance in different places in Salalah were very friendly and kindhearted. In this visit, I was on a mission to assess the possibility of investing in the newly established Salalah Free Zone. The report I submitted to the investors in SAJA Company included a recommendation to start investing in the Zone without hesitation," Arif Abdul Ghani, General Manager of SAJA Company explained.

In this introduction, Arif Abdul Ghani, General Manager of SAJA Company, recalls the old days when he first arrived in Salalah, commissioned by a group of Arab investors who were looking for new destinations for their investments, so they selected Salalah Free Zone.

Arif Abdul Ghani sums up the project's concept, saying: "The idea came to establish an investment company aimed at attracting investors to Salalah Free Zone by establishing warehouses in a way that suits any type of investment activities".

#### Attracting different investments

"We discussed the idea in 2007 and started implementation immediately, and construction started in 2009. Since the beginning, we have focused on attracting various investments, especially in the food, shipping and logistics sectors. We spared no effort to achieve this objective and developed more than 26,000 sqm of the

July 00



land area granted to us under the usufruct and development contract with Salalah Free Zone. Another 8,000 sqm metres will be added to bring the warehouse space to more than 34,000 sqm. The number of companies that we have been able to attracted to the Zone so far is 22 companies," stated the General Manager.

#### **Open spaces**

Over the past years, SAJA has established 26 warehouses with an open space system. Arif Abdul Ghani believes that this is an important advantage for investors, as spaces of the warehouses vary between 590 sqm and 1,200 sqm and more, according to the requirements of investors. The spaces could possibly reach up to 5,000 sqm for one unit, and the availability of space makes it easier for investors to start their projects as earliest possible instead of waiting for months to prepare the site. Therefore, once the lease contract is signed, the investor can immediately start his business activity.

#### **Promoting the Zone**

Speaking about the Company's role in promoting Salalah Free Zone, the General Manager of SAJA pointed out, "We are promoting the Zone and its investment advantages and the services provided to investors in all our promotional campaigns. We believe that our role in this regard is complementing the role played by Salalah Free Zone Management".

#### **Promoting investment**

Arif Abdul Ghani stated, "We highly appreciate the Sultanate's efforts to encourage investment through the different packages of facilities it has provided recently. The increase in the number of companies and factories operating in the Sultanate will positively affect the economic situation in general and the labour market in particular. Likewise, the increase in the number of companies and factories operating in the Sultanate necessarily means an increased need for local labour in various sectors".



The warehouses managed by the Company are built to target all types of investment activities

Increasing warehouse space to 34,000 sqm

We have been able to attract 22 companies since starting our operations in the Zone

Promoting the Zone is our top priority and we highly appreciate the Sultanate's efforts to encourage investment



Ready warehouses which will be leased to corporates operating in Salalah Free Zone

### Sohar Freezone records an increase in throughput and exports in Q1 of 2021

Having more space for development and establishing a transport corridor connecting the zone with Sohar Port

The Freezone marks a regional headquarters to several multi-national companies looking for easy access to global shipping lanes

#### لدةم Sohar – الدقم

Even this year, during a period of economic uncertainty, Sohar Freezone is on course to record another year of growth, exceeding last year's throughput. The recently released figures for Q1 of 2021 show an increase of 65.7% in total throughput over the same period in 2020 and exports increased 108.6%.

In an exclusive report to will, the Zone clarified that the success is not a surprise; Oman's strategic position, abundance of land, existing Free Trade Agreement with the US, and a whole host of incentives have all combined to create a thriving complex, which is incredibly attractive to investors. The Freezone allows 100% foreign ownership with 0% personal income tax and 0% import or re-export duties. Companies can enjoy a guaranteed 10-year exemption from corporate tax, normally 12% in Oman, and this can even be extended to 25 years.

#### A destination of choice

Facing the Sea of Oman with direct access to the Indian Ocean, SOHAR Freezone, one

of the fastest-growing in the world, has become a destination of choice for regional and international investors looking for an ideal Middle East hub for trade, commerce, and industry.

SOHAR's rise to prominence has been staggering. Since the Freezone was added in 2010, the complex has grown to 21 million square metres – all fully leased ahead of schedule – with a further 2.5 million square metres currently being added and even more space primed for development at a later stage. The proximity of the port allows goods to reach their destination in the Freezone is within 14 minutes through a dedicated transport corridor.

The efforts to optimise every step of the process has been recognised within the industry. SOHAR has been a frequent winner at fDi Magazine's annual Free Zone of the Year awards, including taking the 'New Investments Award' and commendations for Infrastructure Improvements and Energy Independence in previous years.



### Launching electronic one-stop shop services for special economic zones and free zones



The Public Authority for Special Economic Zones and Free Zones (OPAZ), launched in June 2021 the electronic One-stop Shop for Salalah Free Zone and Sohar Free Zone, continuing the digital transformation march that began earlier by automating the services of the One-stop Shop in the Special Economic Zone at Duqm (SEZAD). In the coming period, procedures will be completed to launch Al Mazunah Free Zone's electronic portal for the One-stop Shop services.

The launch of electronic One-stop Shop services aims to support OPAZ efforts in attracting investments to the zones under its supervision, accelerating the completion of investor applications, facilitating starting business, digitalising paper applications, and ensuring that transparency and clarity principles are achieved in the pathway of each service.

The One-stop Shop services for special economic zones and free zones can be obtained via the link: https://eoss.opaz.gov. om.

Over the past months, OPAZ has unified the procedures for obtaining the services

21013

offered by special economic zones and free zones through their electronic portals.

#### Provided services

The electronic One-stop Shop allows investors to access many services, most notably: applying for land usufruct, demarcation plots, EIA of service. appointment of project consultant, appointment of project contractor, project plans submission, building permit submission, commencement of construction, and building completion certificate request, and other services will be added in the coming period.

Investors in special economic zones and free zones can apply through the electronic services portal of each zone and follow up their applications through the dashboard. The portal also brings the feature of attaching required files and e-payment and enables employees of the One-stop Shop in each zone to receive applications and give necessary approvals, starting from receiving the application and ending with application completion. Unifying the procedures for obtaining services and ensuring transparency and clarity in the pathway of each service

Facilitating starting business and digitalising paper applications

Al Mazunah Free Zone receives 165,000 tonnes of goods until end of May

> Said Al Balushi: The increase in the volume of goods reflects the growth in the zone and its attractiveness to investors



The number of projects increased to 238 projects and the leased areas reached over 1.7 million sqm Over the first five months of 2021, Al Mazunah Free Zone recorded a commendable performance. Said bin Abdullah Al Balushi, Director General of Al Mazunah Free Zone, pointed out that the volume of goods received by the Zone until last May reached to 165,000 tonnes, compared to 156,000 tonnes in the same period last year, recording a growth rate of 5.5%.

He explained that this growth reflects the high interest in the zone, which marks the Gulf gateway for transit trade to the Republic of Yemen and from there to East African countries. "It also reflects the progress in the projects that are being developed in the Zone and the services and incentives, which are provided to investors," he added.

#### Increasing number of projects

The number of projects in the Zone increased by the end of May to around 238 projects. Said bin Abdullah Al Balushi noted, "This year has witnessed the establishment of 28 projects, including 9 projects that have been allocated plots of land in the commercial and industrial sectors, and the other 19 projects have commenced operation".

"Total areas leased during this year covered 26,300 sqm at the end of May, bringing the total already leased areas in Al Mazunah Free Zone from inception until the end of May to 1,734,291 sqm. This increase came as a result of establishing new projects in the Zone," Al Balushi commented.

Al Mazunah Free Zone offers many incentives and facilities to investors, such as





tax exemption for a period of up to 30 years, customs exemption, and 100% free foreign ownership for projects, in addition to many other benefits and proximity to the Yemeni markets.

#### Thriving economy

Said bin Abdullah Al Balushi, Director General of Al Mazunah Free Zone, said that the Zone contributes to thriving the economic movement in the Wilayat of Al Mazunah, providing more business opportunities for SMEs and increasing employment opportunities in the projects established in the zone, noting that the total number of Omanis working in the Zone is 152 employees.

#### Many services

"This year witnessed a number of meetings held with officials in public and private sectors to provide more services to investors. In this regard, a delegation from the Telecommunications Regulatory Authority

(TRA) and telecom service providers, headed by HE Eng. Omar bin Hamdan Al Ismaili, CEO of TRA, visited the Zone to observe the available communications services and the challenges faced. During the visit, they discussed improving the efficiency of communications services in the Zone, including high-speed Internet and mobile phones services," Said Al Balushi clarified.

#### Investment opportunities

Said bin Abdullah Al Balushi, Director General of Al Mazunah Free Zone, confirmed that there are many investment opportunities in the Zone, noting that it is currently witnessing the execution of the third phase of development, which includes constructing internal road networks with lighting, sidewalks, pedestrian paths, as well as supplying the new residential blocks with electricity, water and telecommunications networks. He expressed his optimism to increase domestic and foreign investments in the Zone.



Supplying the new residential blocks with electricity, water, telecommunications, and we are aspiring for more local and foreign investments

Seeking efficiency improvement of telecommunications services in the Zone and attracting new investments Asyad urges public and private sectors to make the most of Drydock's services

# "Hulm Al Behar"

### inaugurates the shipbuilding era of the Drydock in Duqm

Hulm Al Behar is landing in the Port of Duqm

Dr. Ibrahim Al Nadhairi: The project has been professionally implemented by qualified Omani cadres

We look forward to being a new prosperous brand in designing and building ships



The ship "Hulm Al Behar" inaugurated the shipbuilding era of the drydock in Duqm. The ship built in 11,000 man-hours, was handed over to one of the Sultanate's shipping companies in June 2021. It is 15 metres long, 7 metres wide and boasts a maximum payload of 25 tonnes, and a bollard pull of 8 tonnes.

Dr. Ibrahim Al Nadhairi, Chief Executive Officer of Asyad Shipping and Drydock, explained, "Completing the first project of Asyad Drydock in shipbuilding is a testament to Asyad Group's empowerment of national talent and their capabilities, marking the steering force of Asyad`s growth".

#### **Developing Omani cadres**

"This project has been a significant opportunity for investing in the development of Omani talent to be capable of leading construction operations in maritime services and industries," he stated.

Al Nadhairi added, "Provide shipbuilding services in Duqm Drydock is a key milepost

for Oman's logistics sector. This Project embodies the efforts and investments provided by Asyad Group to raise the competitive edge of logistics and related commercial services and contributes to achieving the pillars of National Logistics Strategy 2040 (SOLS 2040) to build a diversified economy".

#### **Opportunities and potentials**

"The expansion of Asyad Group Drydock Services has been the result of a thorough study aimed at identifying the opportunities offered by the global market. Oman, building on its long shipbuilding history and existing advanced infrastructure, is well geared up for leveraging such opportunities and converting them into sustainable economic investments and projects that promote Oman's competitive and attractive status in the areas of building, repair, maintenance, modularisation, conversion and upgrading of ships of all sizes to be used regionally and globally. Hence, we look forward to being a new prosperous brand in designing and building ships of all kinds," Al Nadhairi stressed.







#### Haitham Al Taie

#### Meeting environmental standard

Haitham bin Nasser Al Taie, Chief Operations Officer of Asyad Drydock, explained, "Asyad adopts a clear strategy that ensures sustainability is integrated into all Group's operations. This ship has actualised this strategy by meeting all environmental standards aimed at achieving sustainable development of shipping sector. It has furthermore recorded high technical performance levels after being successfully evaluated and tested by the concerned authorities in Oman," he affirmed.

#### Increasing total capacity

Al Taei added, "Asyad Group is determined to capitalise on the potential of the Drydock and aims to increase its total capacity and



Dr. Ibrahim Al Nadhairi

optimise its operational efficiency. The Group has extended its invitation to public and private sectors to follow suit and tap into the Drydock's services of building small and medium ships, including fishing boats and tugboats".

Asyad Drydock has been ranked the Best Ship Repair Dock in the Middle East and Indian Subcontinent at Ship Tek International Conference and Awards 2021, cementing the competitiveness of Asyad drydocking services globally. The drydock consists of two docks; the first being 410m long and 95m wide; and the second is 410m long, 80m wide and 14m deep, serving ships of up to 600,000 tonnes. It also includes a 2800-metre-long berth and 453,000 sqm of reclaimed land. Haitham Al Taie: The ship recorded high technical performance levels after being successfully evaluated and tested

Meeting all environmental standards aimed at achieving sustainable development of the shipping sector

Capitalising on the Drydock's potential, increasing total capacity and optimising its operational efficiency



### It is the first project of its kind in the Sultanate

Chairman of the Integrated International Engineering Company speaks to 🔐:

# Duqm Salt Factory supplies oil sector with industrial salt

Ali bin Sulayem Al Junaibi

The factory's proximity to Port of Duqm supports the company's future export plan

135,000 tonnes is the annual production volume in the first phase, with a planned increase to 270,000 tonnes



The Port of Duqm and other projects being developed in the Special Economic Zone at Duqm (SEZAD) stimulated Omani investors and businesspersons to establish many projects, which were not only limited to Duqm, but extended to other neighbouring Wilayats.

Ali bin Sulayem bin Saleh Al Junaibi, Chairman of the Integrated International Engineering Company, said that the establishment of Duqm Port encouraged us to invest in setting up Duqm Salt Factory, which is the first project of its kind in the Sultanate that produces raw and industrial salt. The factory is located in Bentout village in the Wilayat of Mahout in Al Wusta Governorate and is around -80km far from the Port of Duqm, which will enhance the product's export plan to overseas.

In an interview with And Integrated International Engineering Company, which is one of the local Omani companies, invested around RO 12 million to establish the project. The factory's annual production reached 135,000 tonnes and has the ability to increase production up to 270,000 tonnes annually when the operation shifts are increased twofold.

#### **Promising opportunities**

Al Junaibi explained, "One of the main reasons that prompted the Company to invest in this field is that this product is imported to the Sultanate from several countries with over one million tonnes annually and is consumed in large quantities. Therefore, we realised the promising opportunities in this product, which could be locally produced for having sufficient quantity of raw material. In view of the positive studies and consultations of experts, support and encouragement by different parties, we established this economic project".

"Choosing Al Wusta Governorate to set up the factory reflects the Governorate's standing as a promising economic gateway



to the Sultanate, especially with Duqm hosting many economic projects. In addition to the environmental and geographical factors that contribute to the intensification of sea salt. Besides, the site was selected due its proximity to the oil fields, which are the first consumer of the factory's products," He pointed out.

He further expressed his profound thanks to the government bodies that provided the company with the project's usufruct land, explaining that the project was built over an area of 1.7 million sqm.

#### Meeting oil sector's demands

Al Junaibi stated that the idea of establishing the factory came in response to the demands of the oil and gas sector, which heavily depends on industrial salt in wells drilling operations. It marks a major component of drilling fluids that maintain the integrity of the drilled parts and protect them from collapse. Also, it maintains the level of pressure inside the drilled part and high-purity industrial salt is used in the desalination of water used in the process of producing steam. The steam is injected into heavy oil reservoirs to raise production from the targeted fields, known scientifically as enhanced oil recovery technology.

He stressed that the factory can meet about 70 percent of the oil fields' needs of

industrial salt, which is of high quality and is 99.8 percent pure; the specifications required by oil companies.

#### High technology

The production of raw and industrial salt depends on evaporation by sunlight through making a cluster of basins for drying saline water. The gradual intensification of salinity in these basins is based on the environmental and natural factors of water evaporation. In the last stage of evaporation, the condensed raw salt is compiled in the basins to be cleaned from impurities such as sand, dust and other substances.

Chairman of the Integrated International Engineering Company said that the factory is equipped with high technology that supports producing the required material with international specifications. He noted that the product undergoes multiple stages of filtering, crushing and sifting until it ends up in packaging and transfer it to the market and consumers.

#### Downstream industries

To shed light on the factory's products, the Chairman said, "The factory is highly specialised in producing industrial salt, and this is what we are working on during the first phase. In addition, we have plans to benefit from the factory by getting involved into transformative industries that benefit



The factory is equipped with high technology and production meets the international standards

Providing raw materials for many projects and our products reduce import costs





Our future plan includes producing other types of salt derivatives for industrial and food uses

We plan to get involved in manufacturing industries to benefit from the minerals associated with salt production process



Omar Al Junaibi: We focus on providing a motivating and safe work environment with high professional standards

from minerals associated with the salt production process, such as bromine and sodium bromide. As well, we will get into industries that need raw salt such as chlorine and the alkaline compounds associated with it. Apart from heavy industries, salt has other uses that affect people's daily lives such as table salt, salt for swimming pools, salt tablets for animals, and de-icing; all are products that are planned for the next phase of development".

#### Boosting economy

Ali bin Sulayem Al Junaibi, Chairman of the Integrated International Engineering



Khalid Al Junaibi: The factory is an added value in the national economy and working in the factory enriched my expertise

Company, confirmed that Duqm Salt Factory strives to boost the economy in the country through its role in encouraging the establishment of many related projects due to the availability of relevant raw material required for such projects. This will reduce the cost of establishing the projects instead of importing salt from overseas. Hence, the Sultanate will be placed on the world's map as one of the countries producing salt. Having such industries locally enhances the added value in the local market in terms of creating new job opportunities for citizens and the use of manufacturing materials and local services.



### With a cost of RO 800,000 Opening of a bowling alley in Special Economic Zone at Duqm

#### لدةم Duqm – الدق

As a remarkable addition to the sports projects introduced in the Special Economic Zone at Duqm (SEZAD), this year witnessed opening the first bowling alley in Duqm. Said bin Nasser bin Hamed Al Jabri, CEO of Oman Centre for Sports and Real Estate Investment and owner of Oman Bowling Center, said that the project costs around RO 800,000, stressing that the alley is built with high specifications and standards through which it can host local and international bowling competitions.

"The alley brings 12 bowling tracks, which enable it to accommodate a big number of players. It is equipped with display screens that are designed with high specifications and quality for calculating the results of games," he explained.

#### Features of the alley

He pointed out that the Centre includes a main hall for bowling and another for video games, in addition to a hall for billiards, snooker and hand football games. It also serves food and beverages in a coffee shop with dedicated seating areas, while enjoying a WiFi service in a place very well equipped with safety and security precautions.

#### **Great turnout**

"Despite the challenges caused by Coronavirus Pandemic in terms of fluctuation in sports and recreational activities, the



day for women and organising sports and entertainment championships for women in SEZAD

bowling centre enjoys a remarkable turnout post introducing its services to public. The services provided by Oman Bowling Centre allow young men and women to enjoy their free time with useful sports activities in a fun-filled place," Al Jabri commented.

#### Organising women's championship

Al Jabri expressed that the centre can host women's tournaments in a number of different recreational activities and occasions in Duqm, in addition to having a designated day for women. In view of that, women would be allowed to participate and benefit from the recreational services provided by Oman Bowling Centre. Women's Bowling Championship had been organised earlier this year, in which a number of female employees from different companies operating in SEZAD took part.





### The project aims to produce competitive green hydrogen and green ammonia

## HYPORT Duqm signs cooperation agreement with Uniper to explore green ammonia offtake



The project will develop a 500 MW green hydrogen facility

#### الدقم Muscat – Rusma :

Oman's strategic green hydrogen project HYPORT Duqm - a JV project between OQ Alternative Energy & DEME - has signed a cooperation agreement with energy giant Uniper. Under the cooperation, Uniper will be joining the project team to provide engineering services and negotiate an exclusive offtake agreement of green ammonia.

With Uniper, HYPORT Duqm's shareholders OQ Alternative Energy and DEME Concessions have on boarded a globally recognised and reputable partner, which will support HYPORT Duqm in demonstrating a strong business case for the offtake, and in turn, enable them to secure optimal financing for the project.

This agreement marks another important milestone for HYPORT Duqm, after having secured its 150 km<sup>2</sup> renewable generation site in the Special Economic Zone at Duqm (SEZAD), Oman earlier this year.

The site is being prepared for the deployment of a series of meteorological masts to confirm Duqm's excellent solar

and wind conditions, which are available throughout the year and that form the basis of a successful green hydrogen to green ammonia project.

#### **Project's phases**

In the first phase, the HYPORT Duqm project will develop a 250 to 500 MW green hydrogen facility in SEZAD. The facility is planned to come into operation in 2026 and will respond to the global demand for green hydrogen and its derivatives. This phase of HYPORT Duqm will establish a complete power-to-product value chain at utility scale, combining first-of-a-kind technology integration with economies of scale, producing competitive green hydrogen and green ammonia.

Future expansions are foreseen in subsequent phases, whereby a further scaling up of the value chain will transform SEZAD into a Green Hydrogen hub in Oman and the wider region. HYPORT Duqm showcases the development of a complete green hydrogen value chain, from the installation of up to 1.3 GWp of renewable power generation capacity from solar and wind (Phase 1), via





the electrolysis-based hydrogen production to the synthesis of green ammonia.

HYPORT Dugm will connect to Port of Dugm's brand-new export terminal, storage infrastructure and liquid jetties and will use the Port of Duqm as its gateway to deliver competitive decarbonised molecules to users worldwide.

#### Sharing international expertise

Dr. Salim Al Huthaili, CEO of OO Alternative Energy, stated: "The cooperation agreement with Uniper marks a major milestone in the development of the HYPORT Dugm project. This brings us a step closer to delivering a world scale green Hydrogen facility in the Special Economic Zone at Duqm and showcases the true potential of Oman's renewable capabilities as well as the critical role that the country can play as a net energy exporter.

"This agreement will pave the way to further cooperation between OQ Alternative Energy, DEME Concessions and Uniper moving us to the engineering phase of the project. Uniper's expertise coupled with that of DEME Concessions and OQ Alternative Energy will ensure that HYPORT Dugm is provided with the necessary talent and tools to take us through the engineering phase," he added. Luc Vandenbulcke, CEO of DEME Group, underlined: "The DEME Group has always been at the forefront of sustainable solutions on a global scale. The United Nations' Sustainable Development Goals are the compass to our present and future activities. With HYPORT Duqm, DEME is proud of taking the initiative in the global commodity trading network."

energy transition whereby green hydrogen has been identified as one of the major energy vectors. This project will not only contribute to the challenging European ambitions to reduce CO2 and GHG emissions (as expressed in the Green Deal and Fit for 55 objectives), but will also strengthen Oman and the Sultanate's visionary future."

#### hydrogen as marketable Using industrial solutions

Uniper CCO Niek den Hollander, noted: "We need to get hydrogen out of the laboratory and start using it in large-scale applications and marketable industrial solutions - we should turn it into a market and exploit its wide variety of uses. One way of achieving this is to import green ammonia and convert it into hydrogen, which is something we are looking at for Wilhelmshaven on Germany's North Sea coast. Germany will be heavily dependent on imports if we want to use hydrogen to help us achieve our climate goals."

John Roper, Uniper CEO Middle East, pointed out: "The partnership with OQ and DEME in the HYPORT Duqm project supports Uniper's global hydrogen strategy. Engagements like this one in the Middle East offer Uniper the opportunity to enter into green hydrogen projects that can potentially take advantage of some of the world's lowest LCOEs, thereby delivering cost competitive hydrogen or its derivatives, such as green ammonia, to Germany and Europe. With Uniper as the offtake partner for green ammonia, the partnership will benefit from the additional value added through Uniper's global

0Q: The agreement brings a step closer to delivering a world scale green Hydrogen facility

**DEME:** The project reflects the challenging European ambitions to reduce CO2 and GHG emissions



**Uniper: We** need to get hydrogen out of laboratory and start using it in large-scale applications



The oil berth at Duqm Port through which the project's products will be exported

### Backing efforts to increase the green areas in SEZAD Omani engineers introduce an initiative to plant trees adapted to Duqm's climate and soil



#### Duqm - Mohammed bin Ahmed Al Shezawi:

It was a very early morning, when we had a visit to the personally-made greenhouse with Eng. Sultan bin Awad Al Balushi, Director of Facilities Management at the Oman Company for the Development of the Special Economic Zone at Duqm (Tatweer). The visit was aimed to familirise us with this new initiative, being led by Al Balushi with a group of other engineers in the Company, to conduct experiments on trees that can be planted in Duqm.

To shed light on the initiative, Eng. Sultan Al Balushi stated, "We started executing this initiative in February 2021 with the aim to find out which trees can be planted in the Special Economic Zone at Duqm due to its nature of the weather and soil. The site was selected to be in the sewage treatment plant for the availability of irrigation water, as the plant produces about 2,000 cubic metres of treated water per day. Another reason was attributed to the previously planted trees in the plant".

#### Successful experiments

"Our first experiment was planting a number



Sultan Al Balushi: We started by planting flowers, ornamental plants, fruit trees, and the outcomes are promising

of flowers, roses, ornamental trees, Ghaf, Sidr, Guava, Avocado and others that have achieved great results in the greenhouse. Therefore, we are currently studying the ability of these trees to adapt to the climate and soil of Duqm. Later on, those trees will be moved to different sites in SEZAD that are selected to increase the green spots in Duqm," Al Balushi explained.

He added, "There is also another group of plants that we are planting outside the



54

**Creating lands** 

for agricultural

use and

developing

water pools as

artificial lakes

surrounded by

parks



greenhouse like Castor tree, which marks the raw material for Sebacic Oman Refinery in SEZAD. We are also planning to bring many other trees such as Mango, Al Baydham, Al Mustafal and Chico".

#### **Fruit trees**

While touring around the sewage plant, we found many vegetables and fruit trees including Guava, Palm, Jasmine, Corn, Tomato, Pepper, Banana, Sea Cactus and many other trees. Mohammed bin Said Al Balushi, Supervisor of sewage treatment plants at Tatweer Company, states, "These trees were planted in 2018. Over the past years, we have provided many citizens and residents with a set of seedlings that have been propagated at this greenhouse".

#### Creating new agricultural lands

Before leaving the greenhouse, Eng. Sultan bin Awad Al Balushi invited to visit a number of other sites nearby the sewage treatment plant, where Tatweer is working on creating new lands for agricultural uses and developing water pools as artificial lakes surrounded by parks. He also advised us about the new plan to establish greenhouses in the new sewage treatment plants at the



Mohammed Al Balushi: Successful cultivation of seasonal crops, Guava and Sea Cactus outside greenhouses

government berth, Duqm Port and Duqm Airport. Al Balushi prides himself for taking part in this initiative, which he believes will contribute to increasing green areas in the Special Economic Zone at Duqm.

In a closing note, Al Balushi called on entrepreneurs and SMEs to visit the greenhouse and benefit from the services it provides to citizens. "Arable water is available and helps SMEs to establish their investment projects in the agricultural sector", he explained. Establishing greenhouses in the new sewage treatment plants at the government berth, Duqm Port and the airport









# Part of an environmental project to explore splendors of 12 tourist destinations in Oman

An international photography team documents geological secrets of Duqm Rock Garden

Looking forward to hosting art and cultural festivals that introduce international tourists to Duqm

Producing films and documentaries to present undiscovered marine sites and wildlife in the Sultanate



Oman In Focus Team, supervised by a young Omani professional photographer, Maisa Al Hooti, kicked off filming documentaries about the wildlife and diversity of Oman's mesmerising environment. This project, held with international channels and professional photographers, is aimed to explore new impressive aspects, locations and neighbourhoods.

Maisa Al Hooti, Managing Director of Oman In Focus, an Omani production company specialised in documenting environmental life, pointed out, "We started filming in March 2021 and will continue until December 2021. The team is targeting various places, which none has ever been to, in the Sea of Oman, Arabian Sea, Al Hajar Mountains and Dhofar mountains and all the way to the Empty Quarter. This series will cover marine and wildlife, in addition to other natural components of flowers, trees, birds and reptiles of all kinds. The documentaries will be broadcasted on international channels by Mid of 2022".

She commended the support of OPAZ and the facilities provided by the Special Economic Zone at Duqm to the team to accomplish its mission. Speaking to , Maisa noted, "The objective of producing this series is to explore Oman's natural diversity, support environment preservation and promote tourism, going in parallel with



Maisa Al Hooti: The Rock Garden stands among the most prominent tourist attractions in the Sultanate

Oman Vision 2040".

#### **Documentary film**

"Oman in Focus Project will document and address the diverse splendors of 12 tourist destinations in the Sultanate through a onehour documentary on "Oman's Beaches". It brings a unique journey to discover different destinations across the Sultanate, while towering its high mountains, rich seas and unrivaled deserts. The Project will also present another two-part documentary series spotlighting "Wildlife in Oman", as the Sultanate is home to hundreds of thousands of marine and wild creatures. This Project comes as the third of its kind executed by Oman In Focus Team, following the two successful projects in 2014 and 2015", she explained.





#### **Exploring splendors of Rock Garden**

"We had a very rich experience in which we documented the geological secrets of Duqm Rock Garden. The shooting also featured the Arabian Oryx, which marks one of the most important mammals in Haima, beside the Arabian Gazelle, which is mostly found in the Wetland Preserve," she commented.

"We documented the flora, fauna and wildlife in Al Wusta Governorate in a distinctive way, prior filming the Rock Garden in Duqm, which is distinguished by beautiful landmarks. I believe it is very important for every visitor to Duqm to visit this beautifully unique garden," Maisa added.

The photography team expressed their wonder for what they have seen in the Rock Garden, stating that the Garden gets an important position among the most prominent tourist attractions in the Sultanate as a unique geological site. In view of that, Duqm rocks, with their distinctive shapes, narrate stories dating back more than 46 million years.

#### An interesting and enjoyable journey

Maisa stated, "We had an interesting and enjoyable journey to Duqm. The Government accords Duqm a high significance by developing key projects there. The Port of Duqm, the airport, a group of hotels, modern roads and many other project are just to name a few milestones that hopefully will place Duqm among the best economic zones and a promising successful investment destination globally. Similarly, the city's mild climate, its pristine beaches, traditional fishing villages, and its proximity to the Wetland Reserve position Duqm as a promising tourist destination".

Moreover, she pointed out that the increase in tourism, social, cultural and arts activities as well as events in Duqm through establishing commercial centres and various tourist and social facilities, cinemas, public parks, sports stadiums for youth and children, and restaurants with international brands will undoubtedly boost Duqm's beauty and attraction.

#### Honing technical skills of film-makers

Maisa Al Hooti remarked that the Project also aims to hone the technical skills of young journalists and film-makers who are eager to pursue their passion for film-making under the supervision of internationallyexperienced experts.

"This comes as part and parcel of our responsibility towards giving back to society and to provide opportunities for Omani youth. A professional group of photographers and technicians, using high-grade photography equipment, (4K) cameras, lighting tools and other various special lenses, has conducted filming the documentaries," she added.



Exploring the secrets of the Sea of Oman, Arabian Sea, Hajar Mountains, Dhofar Mountains and the sands of Empty Quarter

Oman is home to hundreds of thousands of marine and terrestrial creatures. Our goal is to raise awareness of their importance and conservation

### An Cye

# Salalah, the land of opportunities

(1)

As you reach Salalah; in summer or winter, you will get an irresistible charm in the place where you live or go. In fact, it urges you to repeat the visit year after another, or decide to extend your vacation and stay longer as much as you can.

#### (2)

More than one investor has narrated to us the story of being fond of Salalah. They went to explore the free zone and ended up starting their investments in the zone.

#### (3)

The mild winter weather; rain, drizzles and fog in the summer are the key features for the climate of Dhofar Governorate, which continues to preserve the glamour and charm of Salalah and its ability to attract tourists and investors alike.

#### (4)

The weather is not the only attraction that entices investors to Salalah, but there are other economic, cultural, historical and social reasons too. They allow visitors to see the various options on offer; reflecting the diversity that meets visitors' interests for tourism, investment or just to enjoy its green mountains during summer and watching the Arabian Sea with its waves coming from the ocean in the early morning or prior sunset. All of this is complemented by the kindness, generosity, hospitality, and warm welcome of its people.

#### (5)

As for those looking only for investment, they optimistically look at the city's outstanding advantages, including the prime location on the Indian Ocean, proximity to international shipping lines, having the Port of Salalah with high potentials. As well, Salalah Free Zone provides investors with the necessary support, facilities and incentives in accordance with the regulating laws and legislations, backed by the Sultanate's political stability, security and safety.

#### (6)

All these factors contributed to accelerating the investment in Salalah Free Zone, which was established 15 years ago and today celebrates actual investments with value reaching around RO 2 billion, including productive projects and others under construction. Other new projects are on the way to start construction soon as their usufruct agreements have already been signed.



Mohammed bin Ahmed Al Shezawi Editor-in-Chief



The weather is not the only attraction that entices investors to Salalah, but there are other economic. cultural, historical and social reasons too. They allow visitors to see the various options on offer, reflecting the diversity that meets visitors' interests for tourism or investment

\*mohammed.alshezawi@duqm.gov.om

