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Investments in special economic zones, free zones and industrial cities exceed RO

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Undersecretary of the Ministry of Economy: Government programmes and initiatives enhance investment attractiveness and open new opportunities for sustainable economic growth



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# Localisation of projects is key to driving economic growth

The economic sectors in the Sultanate of Oman are witnessing significant and radical changes and attracting diverse investments. The Public Authority for Special Economic Zones and Free Zones (OPAZ) seeks to enhance its role by implementing projects that contribute to providing an attractive and integrated investment environment. The Authority is committed to localizing projects in the zones under its supervision by supporting local investors and providing the necessary facilities and procedures to enable them to establish and expand their projects. It aims to create an integrated investment environment that encourages innovation and entrepreneurship, focusing on developing infrastructure and providing advanced logistical services. The Authority also seeks to strengthen partnerships with the private sector, educational institutions, and research centers to offer comprehensive solutions that support project localisation and develop national competencies.

The Authority is working to simplify and accelerate procedures, as well as update economic regulations and legislation in line with global best practices. This makes it easier for investors to establish their projects smoothly. The Authority also provides technical and advisory support to local projects, helping them overcome challenges and achieve success. Additionally, it facilitates access to global markets through strategic partnerships with various local and international entities.

Developing infrastructure and providing high-quality logistical services enhances the Sultanate of Oman's ability to attract diverse investments. In this context, the OPAZ plays a pivotal role in promoting sustainable economic development in the Sultanate of Oman by localising projects. Through the development of integrated economic zones with modern infrastructure and advanced service facilities, it enables local investors to establish and expand their projects easily and effectively. This approach significantly contributes to building a diverse and sustainable economy while promoting innovation and entrepreneurship as key drivers of growth.

The Authority places great emphasis on strengthening partnerships with the private sector and deepening cooperation with educational institutions and research centers. This collaboration provides a framework for offering innovative and advanced solutions that contribute to building a strong knowledge base, enhancing the Sultanate of Oman's ability to compete in global markets. Developing and training young national talents is a top priority for the Authority through specialised training programmes and advanced workshops, ensuring they are equipped to achieve economic development goals.

In this context, the Authority aims to provide an investment environment characterised by efficiency and flexibility. It simplifies procedures, reduces bureaucracy, and updates economic legislation in line with contemporary requirements and global market changes. To offer full support to local projects, the Authority provides advisory and technical services that help in formulating strategic plans, identifying challenges, and presenting practical solutions to overcome them, thereby enhancing competitiveness and increasing available investment opportunities.

Thus, the efforts to localise projects in the Sultanate of Oman are part of a long-term strategy aimed at building a knowledge-based and sustainable economy. This strategy relies on effectively utilising local resources to boost economic growth and achieve comprehensive development. By creating an optimal investment environment, supporting innovation and entrepreneurship, and fostering diverse partnerships, the Authority aims to generate added value that benefits both the Omani society and the national economy.

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The magazine welcomes specialised researches and academic studies















The Public Authority for Special Economic **Zones and Free** Zones is committed to localising projects in the zones under its supervision by supporting local investors and providing the necessary facilities and procedures to enable them to establish and expand their projects



witness several investment agreements and localisation of numerous projects

companies operating in economic zones, free zones and industrial cities

# Achieving a 20% growth rate

**Investments in special** economic zones, free zones and industrial cities exceed RO

# Muscat - උද්ධා :

The cumulative committed investment in special economic zones. free zones and industrial cities in the Sultanate of Oman exceeded RO 20.1 billion by the end of the first half of 2024, reflecting a 20 per cent increase and a rise of RO 3.4 billion compared to the first half of 2023. During the same period last year, committed investment was over RO 1 billion, with more than 67 per cent concentrated in

600 million agreement for a polysilicon plant project. Meanwhile, the Special Economic Zone at Dugm (SEZAD) achieved a 55 per cent growth rate in cumulative investment, amounting to RO 2.1 billion.

#### **Performance indicators**

These investments are distributed across the areas under the supervision of the Public Authority for Special Economic Zones and Free Zones (OPAZ). The investment in operational industrial cities amounts to

the Sohar Free Zone due to a RO RO 7.5 billion, while investments in the Salalah Free Zone total RO 4.6 billion. The investment in the SEZAD has surpassed RO 6 billion. In the Sohar Free Zone, investments reach RO 1.3 billion, and in the Al Mazyunah Free Zone, they exceed RO 139 million. Additionally, the cumulative committed investment in Khazaen Economic City has reached RO 459.5 million by the end of the first half of the year.

billion in

H1 2024

#### One-stop shops

The report indicated that the



number of new commercial registrations in the areas overseen by the Authority in the first half of the year reached 1,885. The Authority issued 735 public service licenses, 740 activity licenses, and 156 building permits. Additionally, there were 5,466 work and investor licenses issued, and the number of inspection and supervision visits totaled 15,548. Furthermore, 191 environmental permits and licenses were granted.

#### Workforce

The number of employees in the economic zones, free zones, and industrial cities reached 71,684 according to data from the Ministry of Labour up to the first half of 2024. The Omanisation rate stands at 35 per cent of the total workforce, with industrial cities having the highest Omanisation rate at approximately 38 per cent.

Efforts to attract investments The report stated that the OPAZ

The SEZAD achieved a 55% growth rate in cumulative investment, amounting to **RO 2.1 billion** 

has intensified its efforts to attract more strategic investments to the areas under its supervision. The Authority has adopted a project tracking system through Odoo, which helps identify the project's stage, document meetings, and follow up on project requirements. The system also includes a suite of business management tools, with both a community edition and a commercial edition. Last month, the total number of

The OPAZ oversees a total of 23 zones, including both operational and development phases

projects under execution registered in the system was 160. Additionally, the Authority launched its awareness program in the first half of 2024. A total of 145 companies applied, with 20 companies responding to the application requests. Five visits are expected to be conducted: three completed and two planned.

#### Areas overseen by OPAZ

The Authority oversees 15 existing areas: 2 economic zones, 3 free zones in Suhar, Salalah, and Al Mazyunah, and 10 operational industrial zones. Additionally, there are 8 areas under development, including an integrated economic zone in Ibri, Al Dhahirah Governorate; an economic zone in Al Rawda, Al Buraimi Governorate; a free zone at Muscat International Airport; and 5 industrial zones. This brings the total number of areas under the Authority's supervision, including both operational and development phases, to 23.

# Dialogue

H.E. Dr. Nasser Al Maawali, Undersecretary of the Ministry of Economy, to

# **Government programmes and** initiatives enhance investment attractiveness and open new opportunities for sustainable economic growth

The competitive advantages for investment in the Sultanate of Oman, along with the incentives and available opportunities, are attractive and encouraging for the continued influx of foreign investments

Interview -

H.E. Dr. Nasser Rashid Al Maawali, Undersecretary of the Ministry of Economy, confirmed that the 10th Five-Year Plan (2021–2025) is the first implementation plan for Oman Vision 2040. It aims to balance measures to improve the macroeconomic environment and competitiveness, enhance financial management efficiency, and control public spending. The plan includes various investment programmes, initiatives, and policies to support economic diversification, boost Gross Domestic Product (GDP) growth, and achieve the vision's priority goals, focusing on increasing added value in targeted economic sectors as a cornerstone of economic diversification.

In his interview with the Dugm Economist Magazine, H.E. stated that the Sultanate of Oman has successfully reduced public debt to safe levels. The government has utilised financial surpluses from rising oil prices to enhance economic stimulation, social stability, and further reduce public debt. He added that foreign direct investment flows into the Sultanate of Oman have increased significantly over the past two years, reflecting the success of efforts to improve the investment environment, attract investments, and enhance the competitiveness of the national economy. He also highlighted that the Sultanate of Oman's competitive investment advantages, incentives, and available opportunities are attractive and encouraging for the continued influx of foreign investments.

For more details, see the following interview:



Your Excellency, could you please elaborate on the strategic directions for economic diversification in the 10th Five-Year Plan and how they contribute to achieving the goals of Oman Vision 2040?

The 10th Five-Year Plan (2021–2025) is the first implementation plan for Oman Vision 2040. It includes investment programmes, initiatives, and policies aimed at supporting economic diversification and increasing GDP growth. The plan focuses on enhancing the added value of targeted economic sectors as a cornerstone of diversification, with an emphasis on economic and development priorities to achieve a transformation that fosters financial sustainability and relies on increasing the contribution of non-oil sectors.

The plan works on developing mechanisms and programmes to expand the production base of the economy, achieve balanced and sustainable development across all governorates, and establish a dynamic and efficient economic leadership within a comprehensive institutional framework to ensure coherence in macroeconomic and sectoral policies for overall economic stability. Additionally, the plan relies on developing human capital and updating labor market legislation to better integrate educational outputs and attract skilled talents to stimulate economic activity.

The plan aims to balance measures and actions that improve the macroeconomic environment and competitiveness, enhance financial management efficiency, and control public spending. To achieve these goals, the plan adopts expansionary fiscal policies to develop infrastructure, stimulate private investment, and accelerate the

Improvements in economic and financial indicators reflect the effectiveness of economic policies in managing changes and seizing opportunities

The Sultanate of Oman's investment environment is undergoing continuous development, from legislative amendments and new laws to facilitation programmes and procedural simplifications

implementation of key strategic projects. It also supports public-private partnership projects and attracts foreign direct investment.

The plan focuses on supporting economic diversification in sectors such as manufacturing, mining, agriculture, fisheries, aquaculture, agribusiness and food processing, transportation and storage, logistics, and tourism. It aims to build a robust economic base by enhancing linkages between different sectors, expanding the export base, diversifying trade partners, and deepening investment in high-value-added sectors.

Additionally, the plan emphasises developing a technology-driven, knowledge-based economy that produces competitive goods and services with high technological and intellectual components, to boost competitiveness across various economic activities and sectors. The strategies, plans, and projects aim to enhance economic performance, improve living standards, provide social protection, and achieve environmental sustainability in alignment with Oman Vision 2040.

In terms of economic diversification, the 10th Five-Year Plan aims to achieve an average growth rate of 3.2 per cent in non-oil activities during the plan's implementation period, to reduce reliance on oil and gradually increase the contribution of non-oil sectors to GDP. The plan capitalises on the current economic conditions, which offer a broader scope for flexible and expansive options in future economic planning.

What are the key indicators for monitoring progress in implementing the diversification



# strategies of the plan as it enters its fourth year in 2024?

The 10th Five-Year Plan continues to make steady progress towards its goals of economic diversification, improving macroeconomic indicators and the business environment, and enhancing competitiveness through international benchmarks. This advancement aligns with the Sultanate of Oman's commitment to achieving sustainable growth and increasing the private sector's contribution to high-value-added economic sectors, enabling it to become a key driver of economic growth and an effective partner in development. The plan also aims to stimulate the role of small and medium-sized enterprises in growth and provide meaningful job opportunities for youth, particularly in freelance and entrepreneurial fields.

The improvement in economic and financial indicators reflects the effectiveness of economic policies in addressing challenges and leveraging opportunities. Indicators show that nearly 90 per cent of the investment programmes under the 10th Five-Year Plan (about 371 out of 416 programmes) have been fully implemented by the end of the first quarter of the current year. Additionally, the plan's financial commitments have increased from RO 5 billion at the start of its implementation to over RO 8 billion by the end of 2023. This progress supports efforts in financial management, enhancing public and developmental spending efficiency, and developing a matrix for selecting and monitoring the implementation of development projects and prioritizing them according to diversification strategies and economic and social development requirements, contributing to the acceleration of project completion and sustained economic growth.

# How do you view the trajectory of economic growth? What is the value added by non-oil activities and their percentage of the GDP?

The growth trajectory is characterised by the continuous development in the structure of GDP growth. This is clearly demonstrated by the significant progress achieved in most targeted economic sectors. Non-oil activities are currently leading the economy with steady growth, despite the decline in oil production and global challenges affecting growth in many countries. The 10th Five-Year Plan continues to advance in improving the targets and competitive indicators of the economy

The Sultanate of Oman's future vision prioritises education, scientific research, and innovation

During the implementation of the plan, indicators have shown a notable increase in the value added to GDP from non-oil activities, exceeding the initial targets set at the beginning of the 10th Five-Year Plan. Specifically, the value added from non-oil activities rose from RO 18.3 billion in 2020 to RO 27.3 billion by the end of last year, surpassing the 2023 target of RO 19.3 billion.

According to the growth rate of GDP for the Sultanate of Oman in the first quarter of this year, announced by the Ministry of Economy, the Omani economy achieved a growth rate of 1.7 per cent in constant prices compared to the same period in 2023. Non-oil activities grew by 4.5 per cent, contributing 71.3 per cent to GDP in constant prices and 68.8 per cent in current prices. The GDP growth rate is expected to exceed 3 per cent by 2025, according to the International Monetary Fund's estimates.

At the same time, the expansion of non-oil activities and the creation of new growth drivers enhance diversification prospects in the coming period through the growth of promising sectors such as logistics, the push towards green hydrogen industries, and new programmes within the 10th Five-Year Plan, including the Governorates Development Programme and Integrated Economic Zones in various governorates.

#### The government has launched several investment-boosting initiatives and programmes. What are the anticipated impacts on growth prospects in the coming period?

The government's current initiatives significantly support economic diversification and enhance the achievements realised through recent years of financial and economic sustainability efforts. The Sultanate of Oman has successfully reduced



public debt to safe levels and leveraged financial surpluses from rising oil prices to stimulate the economy and reinforce social stability.

The government's incentive programmes have continued to expand economic activities, improving the investment environment and broadening development financing prospects. This includes increasing the capital of the Oman Development Bank, launching the Future Fund Oman aimed at strengthening partnerships with the private sector and investors in projects that enhance economic diversification and encourage youth participation in development and the knowledge economy. The National Policy for Local Content has also been introduced to support national industries and products, alongside various initiatives to enhance and upgrade the Muscat Stock Exchange (MSX).

Furthermore, the private sector incentive programme has provided extensive benefits to companies, and the Oman Investment Authority (OIA) continues to implement the privatization programme aimed at boosting public revenues, revitalizing MSX, and enhancing the competitiveness of the private sector. Through these governmental initiatives and incentive programmes, the Sultanate of Oman continues to enhance growth prospects, diversify state income sources, encourage both local and foreign investment, and pave the way for the private sector to play its anticipated role in development.

Your Excellency, the Governorates Development Programme has garnered significant attention and interest since its announcement, as it embodies the citizen's aspirations to enhance services and stimulate the local economy across all governorates. Could you please share the objectives of this programme and its anticipated role in supporting development?

The Governorates Development Programme, introduced as part of the 10th Five-Year Plan, represents a new developmental model for the Sultanate of Oman. It aligns with the country's focus on economic diversification and balanced, sustainable development. The programme aims to achieve comprehensive and balanced spatial development, accelerating the strategic shift towards economic decentralization.

It fulfills the priority of 'Development of Governorates and Sustainable Cities,' which is a key component of the second pillar of the 10th Five-Year Plan, 'A Competitive Business Environment.' This programme plays a crucial role in achieving balanced development across governorates, reducing developmental disparities, allocating resources based on actual needs, and empowering governorates to leverage their resources and competitive advantages to increase their contribution to the GDP. It supports the broader goals of Oman Vision 2040 by advancing economic decentralization, supporting diversification, and fostering comprehensive geographical development through new avenues and urban development.

To ensure the success of the programme, the Ministry of Economy has launched the Governorates Competitiveness Index this year. This



The 10th Five-Year Plan adopts expansionary fiscal policies to develop the necessary infrastructure to stimulate private investments

inv

About 90% of the investment programmes in the 10th Plan were implemented by the end of the first quarter of 2024

The 10th Plan's target for added value from non-oil sectors in 2023 was RO 19.3 billion, but the actual achieved amount exceeded RO 27 billion index focuses on the four main pillars of Oman Vision 2040: economy and development, human and society, governance, and sustainable environment. It includes several sub-indicators that measure progress in each of these areas and compare performance across governorates, enhancing targeted support for development in line with the vision's goals.

# How do you view investor trends towards the Sultanate of Oman? And what is the current volume of FDI?

The Sultanate of Oman has witnessed a notable increase in foreign direct investment (FDI) flows over the past two years, reflecting the success of efforts to improve the investment environment and enhance national economic competitiveness. The Sultanate of Oman is considered a stable and safe destination with mutual respect and strong relationships with various countries worldwide, continuously working to strengthen its global strategic partnerships. These efforts have created an encouraging and secure investment environment in the Sultanate of Oman, offering investors protections through a legislative framework that ensures safeguarding and supports investments.

The ongoing increase in FDI volumes highlights the positive investor sentiment towards the Sultanate of Oman, driven by expanding economic activities and the establishment of promising new sectors, such as green hydrogen industries. Investment potential and ongoing positive developments in the business environment contribute to attracting more investments.

The Sultanate of Oman's investment attractiveness is further enhanced by the implementation of Oman Vision 2040, which has improved its financial position and credit rating, alongside significant efforts to achieve economic diversification and enhance transparency and governance in both public and private sectors, thus boosting investor confidence.

We are optimistic that the investment environment in the Sultanate of Oman continues to become increasingly attractive due to the growing opportunities available to investors, which are expanding both quantitatively and qualitatively. This growth aligns with the progress in imple-



menting economic diversification strategies and ongoing government initiatives to enhance the business environment. Statistics show that total FDI has increased from RO 20.6 billion at the end of 2022 to over RO 25.3 billion by the end of the first quarter of this year, equivalent to approximately USD 65 billion.

#### How do special economic zones, free zones and industrial cities contribute to stimulating foreign and domestic investments? What are the quality investments that the Sultanate of Oman seeks to attract?

The legislative amendments and new laws introduced to encourage local and foreign investments, enhance economic competitiveness, and simplify procedures have significantly contributed to creating a more investment-friendly environment. This includes digital transformation of services, attractive incentives and exemptions for companies, and substantial infrastructure developments supported by the government. These changes positively impact various sectors and activities, particularly special economic zones, free zones, and industrial cities, which serve as the core centers for economic growth and industrial expansion.

These zones continue to thrive in attracting high-quality projects and increasing investment volumes. According to statistics from the OPAZ, the total committed investment across all zones reached approximately RO 19 billion by the end of December 2023, compared to RO 3.5 billion in new investments committed during the previous year. Investment growth continues into the current year, with industrial zones and cities reporting increases in new investments.

The Sultanate of Oman aims to attract investments across both oil and non-oil sectors, focusing on areas highlighted in the 10th Five-Year Plan as key for economic diversification. These sectors include agriculture, fisheries, and food industries to enhance food security and export volumes, as well as technological investments that contribute to overall economic growth. High-tech manufacturing industries, which add significant local value and support productivity improvements and green industries, are also a priority. Additionally, logistics activities are being emphasised.

Renewable energy investments are receiving significant attention due to their role in aligning with global energy market shifts, supporting climate change mitigation efforts, and helping the Sultanate of Oman achieve carbon neutrality by 2050.

The 10th Five-Year Plan aims to enhance the integration of the national economy with the global economy. What mechanisms are being used to achieve this, and how does the Sultanate of Oman benefit from its geographic location in this regard?

The Sultanate of Oman enjoys a unique geographic location at the crossroads of global navigation and trade routes, and many regional and international markets. This is a key attraction for investors and contributes to integrating the Sultanate of Oman with the global economy,



transforming it into a regional and global investment destination. The economic diversification policies and programmes of the 10th Five-Year Plan support this integration by enhancing the Sultanate of Oman's economic competitiveness, improving its international indicators, and expanding activities such as foreign trade, thus elevating the Sultanate of Oman's position in the global trade system.

Land, sea, and air ports in the Sultanate of Oman are seeing a continuous increase in their contribution to trade growth. Trade volume rose from RO 18.1 billion in the first half of 2023 to RO 19.7 billion in the same period this year. The total trade volume for the past year was RO 37.6 billion, including RO 13.7 billion in oil and gas exports, RO 7.4 billion in non-oil exports, and RO 14.9 billion in imports. The manufacturing sector is also showing increasing contributions, both in meeting domestic demand and expanding Omani non-oil exports, along with opening new markets for Omani industrial and food products.

The growth of activities in transportation, storage, logistics, and e-commerce in the Sultanate of Oman is increasingly integrating with global value chains, production, and supply chains. The Sultanate of Oman is also targeting investments in the tourism sector to boost its contribution to growth and promote the Sultanate of Oman's investment, heritage, and cultural assets.

The Sultanate of Oman is focusing on supporting investments in the energy sector to ensure global energy supply security and to achieve a distinguished position in global energy trade. Ambitious plans include developing green hydrogen projects, aligning with the target transition towards sustainable energy.

With the significant technological advancements worldwide, how is the Sultanate of Oman keeping pace with this development? And how is it enhancing innovation-driven growth and a knowledge-based economy?

Enhancing the Sultanate of Oman's position in innovation and supporting a knowledge-based economy is one of the main ambitions of Oman Vision 2040, which aims for the country to be among the top 40 in innovation by 2030 and among the top 20 by 2040. The vision prioritises education, scientific research, and innovation due to their vital role in strengthening national



capabilities and achieving a knowledge society. The 10th Five-Year Plan targets education, scientific research, and innovation as key sectors for supporting economic diversification, including 13 strategic programmes for this sector.

In this context, there is ongoing progress in implementing the Government Digital Transformation Programme, aimed at building a sustainable knowledge society, enhancing government efficiency, improving service quality, and advancing technological infrastructure across the governorates. Additionally, the Digital Investment Programme is being implemented to increase the sector's contribution to GDP.

The Sultanate of Oman has bolstered its focus on innovation and a knowledge-based economy by developing educational curricula and supporting creative industries that reflect Omani culture and identity, thereby creating attractive freelance opportunities for youth. The country has seen significant developments in the knowledge economy through the implementation of the Promising Omani Startups Programme and the allocation of a portion of the Future Fund Oman's capital to stimulate venture investment in small and medium-sized enterprises and startups registered with the Authority of Small and Medium Enterprises Development.

The government also encourages the private sector and entrepreneurs to leverage technology in logistics, e-commerce, and future industries based on innovation, utilizing technologies from the 4th Industrial Revolution and artificial intelligence, and transitioning to green industries. This aims to enhance the adoption of advanced technologies, increase production efficiency, boost local self-sufficiency, and promote technology-driven exports and innovative investments, ultimately leading to a knowledge economy led by the private sector, entrepreneurs, and startups.

In these efforts, the Ministry of Economy has launched an Artificial Intelligence initiative, which has begun implementation in government sectors to integrate AI applications and technologies into development projects and programmes targeted in the 10th Five-Year Plan. The Ministry allocated RO 10 million for the initiative's projects this year and RO 15 million for the next year.



# government has utilised financial surpluses from rising oil prices to stimulate the economy, enhance social stability, and reduce debt

The

# Current economic

conditions provide a

broader scope for the next five-year plan to explore expansive and flexible options for future

economic planning These efforts have led to the Sultanate of Oman advancing 10 positions in the Global Innovation Index 2023, ranking 69th out of 132 countries, with the highest performance in human capital and research and infrastructure pillars.

The national economy has faced numerous challenges amid global economic risks, including declining growth rates, rising inflation, and escalating political tensions. What is the impact of these challenges on growth, and how will they be mitigated in the future?

To understand the challenges more clearly, it should be noted that the launch of Oman Vision 2040 and the 10th Five-Year Plan coincided with a significant global challenge due to the pandemic, which had severe effects due to health risks and economic activity shutdowns. In the Sultanate of Oman, the crisis was compounded by the sharp decline in global oil prices, rising public debt, and the accumulation of budget deficits.

Nevertheless, the Sultanate of Oman has demonstrated significant ability to address and overcome these exceptional challenges. Government stimulus and support packages for affected economic activities helped mitigate the economic downturn and initiate recovery in 2021. The country also achieved significant progress in various aspects of sustainability, including major improvements in the financial position, reduced debt levels, and placing the economy on a stable growth path. This year, the Sultanate of Oman began implementing a social protection system that provides advanced protection for different segments of society.

These exceptional challenges have strengthened the Sultanate of Oman's capacity to manage crises and reduce their impacts, including ongoing global changes and crises such as the slowdown in the global economy, rising inflation rates, and tightening monetary policies, which have led to a slowdown in the Sultanate of Oman's growth in 2023 compared to 2022.

Regarding future risks, crises and fluctuations in the investment and global economic environment are often unpredictable, but the Sultanate of Oman's ability to adapt and overcome challenges is supported by policies and initiatives that mitigate the effects of global crises and external shocks and address potential risks effectively.



The Governorates Development Programme aims to achieve comprehensive and balanced spatial development and accelerate the strategic shift towards economic decentralization

# Initiatives

# New initiatives to develop services for investors in the economic, free and industrial zones

# Muscat - الدقري :

The Public Authority for Special Economic Zones and Free Zones (OPAZ) has launched new initiatives aimed at enhancing the services offered to investors in special economic zones, free zones, and industrial zones. These initiatives are part of OPAZ's strategy to improve investor services and standardise the incentives and benefits available across these zones.

Dr. Said Khalifa Al Quraini, General Director of Investment Development at OPAZ, noted: "We are continuously refining our strategies to attract investors and improve the business environment. This effort aligns with our commitment to the core objectives of attracting foreign investment and fostering a conducive environment for the growth of local investments in economic, free, and industrial zones. Our initiatives also support national efforts in this area."

In a press statement, Al Quraini added: " The new initiatives include the introduction of additional electronic services designed to align with investors' expectations and needs. A key component of these efforts is the Investor Services Project, recently undertaken by the Authority to support investment attraction and foster an environment conducive to growth. The project aims to offer e-government and operational services to investors within the Authority's jurisdiction, utilizing state-of-the-art technologies and best international practices. The platform will further streamline project establishment, improve the efficiency and quality of services for investors, and enhance their competitiveness."

He also emphasised that the new initiatives involve more coordination with the specialists at the Invest Oman Lounge. This collaboration aims to strengthen the lounge's role in attracting strategic investments to the economic, free, and industrial zones overseen by the Authority. Additionally, OPAZ's plan includes promoting investment opportunities at various local and international events and making optimal use of specialised communication tools.

"This year, the Authority organised several workshops involving specialists in the investment development sector from both OPAZ and the zones. These workshops focused on providing additional facilities for investors, addressing their challenges, and facilitating the



Dr. Said Al Quraini: The digital transformation implemented by the Authority has contributed to encouraging investors to invest in economic, free, and industrial zones

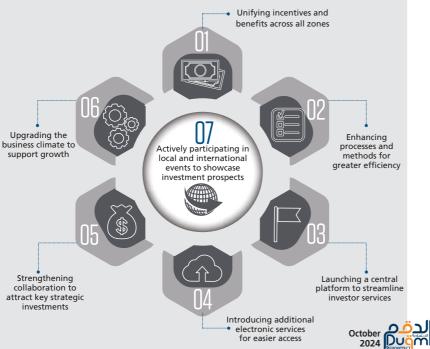
exchange of experiences. Additionally, the discussions included strategies to increase investment volumes in targeted economic sectors through the enhancement of existing work mechanisms." he added

Al Quraini explained that the new initiatives build on the successes of the projects implemented in 2023. These included activating automatic licenses, launching the comprehensive service provider, establishing the strategic project management platform, enhancing the electronic land selection platform, and streamlining various import and export procedures. Notably, the automatic license initiative enabled investors to obtain project licenses in just 15 minutes. In 2023, fees for over 80 services across different Authority-managed areas were set, with many services seeing reductions of up to 90 percent and fees for small and medium-sized enterprises cut by 50 percent. These changes followed a study conducted by OPAZ to re-engineer investment procedures.

He stressed the Authority's digital transformation has significantly encouraged investors to invest in economic. free, and industrial zones. As a result, investors can now access over 80 electronic services across all zones, enhancing their ability to conduct business efficiently online.

On the benefits of investing in economic, free, and industrial zones, the General Director of Investment Development at OPAZ, highlighted that the Authority manages extensive land areas with significant comparative and competitive advantages. These areas cater to a wide range of investors, including small and medium-sized enterprises, those in the storage and logistics sector, large manufacturers seeking proximity to major ports, as well as investors in commercial, tourism, and real estate development. It also oversees 22 zones across various governorates, offering investors numerous options. The General Manager added that OPAZ assesses investors' requests and needs to direct them to the most suitable area for their projects.





# **Food Security**

# 47 food projects in Salalah Free Zone with investments surpassing RO

# Salalah - දිද්දේ :

The number of food projects in the Salalah Free Zone reached 47, including 27 direct projects with investments totaling RO 775.6 million, which accounts for 16 per cent of the total investments in the region.

Prominent food products manufactured in the free zone include milk and dairy products, fish, canned tuna, mineral water, sweets, and fertilizers. This enhances Oman's position as an exporter of high-quality food and reflects its commitment to supporting the food and agricultural sectors to achieve food security and boost exports.

H.E. Dr. Saud bin Hamoud Al Habsi, Minister of Agriculture, Fisheries, and Water Resources, emphasized the importance of achieving the ministry's strategic goals, which include ensuring food security, developing the agricultural and fisheries sectors, improving water resource management and investment, and increasing the added value of food products. This came during H.E.'s field visit to the food and agricultural factories in the Salalah Free Zone, which included six major factories. He reviewed the latest innovations in dietary supplements and pharmaceuticals at the Felix Pharmaceuticals factory and discussed proposals for integrating certain raw materials in medical industries, such as extracting active substances from frankincense, algae, and seaweed.

H.E. discussed with factory officials ways to enhance sector within the Salalah Free Zone.

# Investment agreement in food security worth RO 3.8 million

# Barka - බියින් :

Khazaen Economic City has signed a landmark investment agreement in the field of food security with Zircon Food Industries to establish a fully integrated industrial complex with an investment value of approximately RO 3.8 million, covering a total area of 20,000 square meters. The factory will specialize in the processing, sorting, and packaging of rice, sugar, and spices, along with integrated units for storing food reserve products. In

its first phase, the project will rely on clean energy for its operational processes.

Eng. Salem Sulaiman Al Dhuhli, CEO of Khazaen Economic City, stated that Khazaen Economic City supports the food security strategy through its attractive investment opportunities in the food sector. Khazaen's Food City

Dugm 2024



aims to meet the growing demand for food in local, Gulf, and global markets, in addition to developing a value-added food industry ecosystem and enhancing supply and cold chain systems. One of the key components of Food City is the Khazaen Fruit and Vegetable Central Market (Silal), which serves as an international platform for exporting, importing, packaging, marketing, and distributing vegetables and fruits.



food security by increasing production efficiency to meet market needs sustainably. The Salalah Free Zone supports these advantages by offering exceptional economic incentives, including tax and customs exemptions, 100 per cent foreign ownership, and no minimum capital requirement, which enhances its appeal to the global food industry.

It is worth noting that Oman aims to enhance its food security system by opening and establishing numerous projects across various sectors to achieve self-sufficiency in the food sector, including investment projects in the food

> He added, "Khazaen Economic City has also attracted landmark projects in the food sector, such as the industrial bakery project of Salalah Mills Company and the Yasmeen Al Sharg Food Industries Complex, which is the largest of its kind in the Middle East. Additionally, there is the Oman Bio Products Company's factory specializing in animal feed, along with several projects in the production of carbonated beverages and dry food storage.'

# **Opportunities**

# With an annual production capacity of 100 million cans

'Simak' Factory in the Duqm Industrial Fisheries Port supplies local and international markets with Omani seafood



Tuna products

from the

factory were

available in

local Omani

markets in

June of this

year

# Duqm - الدقيم :

The International Sea Food Company (SI-MAK), a subsidiary of Fisheries Development Oman (FDO), aims to enhance the value of the fisheries sector through its factory in the Fish and Food Industries Zone at the Special Economic Zone at Duqm (SEZAD). The factory is set to supply both local and international markets with high-quality Omani marine products.

With the largest processing capacity in the GCC, the factory features extensive industrial facilities in Duqm, Oman. It includes modern processing units, cold storage, and finished goods storage, ensuring operational efficiency and product quality.

MAERS

# Production capacity

Zakariya Sulaiman Abdullah Al Hasni, CEO of SIMAK, stated that the company began trial production of tuna cans in March 2024. The factory's production capacity reached 30 per cent of its total capacity, which is expected to reach 100 million cans. He noted that the factory's tuna products were available in local markets in Oman as of June this year.

#### Value added

He confirmed that the company adds value to seafood products by sourcing fish from the local market and Omani companies that fish in deep seas, and by importing most of the products used in the pro-

> October مراجع 2024 Dugm



duction stages from local companies. He also noted that the company has partnered with some specialised Omani companies to market and distribute its products in local markets.

Additionally, he mentioned that the company uses fish waste in the factory to produce fish oil and fish meal and recycles the water used in fish thawing and cleaning for irrigation and cooling the factory equipment. The production capacity for fish meal is 9 tons daily, and for fish oil is 1.2 tons.

#### Agreement with a number of fishermen

He mentioned that agreements have been made with several local fishermen to purchase high-quality fish for use in both local and international markets. Additionally, contracts have been established with small and medium-sized enterprises to supply the factory with fish and to market and distribute the company's products locally, as well as to provide necessary production materials such as oils, salts, and packaging.

#### Solar cells

He added that the company will sign an



A tender has been issued for the construction of a tuna canning plant adjacent to the SIMAK factory, with a 5-year contract to supply the local market

The company is committed to employing Omanis and providing them with the necessary skills and experience for working at the factory Zakariya Al Hasni: The company will soon sign agreements with several Omani firms to supply the factory with solar energy cells

agreement with several Omani companies in the near future to supply the factory with solar cells. He also noted that the company has issued a tender for the construction of a tuna canning factory alongside the SIMAK factory, with a five-year contract to supply the local market with these products.

#### Omanisation rate

Regarding the nationalization rate, the CEO of the International Seafood Company mentioned that the company is committed to employing Omanis and providing them with the necessary skills and expertise for working in the factory. When the factory reaches its full production capacity, the number of employees is expected to be around 630.

# **Sohar Industrial City Iocalised 22** projects worth over RO 43 million

# **Economic zones, free zones and industrial** cities witness several investment agreements and localisation of numerous projects

Muscat - الدِقْرِم :

The Public Authority for Special Economic Zones and Free Zones (OPAZ) aims to localise investments by encouraging various industrial sectors, including manufacturing, logistics, renewable energy, technology and food industries. These efforts contribute to enhancing national economic growth and providing sustainable job opportunities for Omani youth. The Authority also works to bolster economic diversification in alignment with Oman Vision 2040 by attracting high-quality investments that help build a strong production base, develop industrial sector capabilities, and increase the added value to the national economy.

The Authority places great importance on supporting innovation and entrepreneurship by providing an encouraging environment for SMEs, promoting public-private partnerships, and enhancing the competitive capabilities of local industries in regional and international markets. These efforts are part of the Authority's commitment to developing integrated industrial cities that achieve comprehensive and sustainable development. They also contribute to the strategic goals of Oman Vision 2040, including diversifying income sources, strengthening the national economy, and making it more resilient and capable of facing future challenges.

The Authority's strategy is based on advanced infrastructure with global standards, complemented by a range of exceptional incentives and facilities that make the Sultanate of Oman an ideal destination for investors seeking new opportunities for growth and expansion.

In 2024, economic zones, free zones and industrial cities have seen the signing of numerous investment agreements and continue their efforts to attract more investments and localise projects.

# Abdullah Al Mayasi: The consultancy studies project for the complementary and improvement works for phases 1-6 has been awarded

# Sohar -

Sohar Industrial City affiliated with the Public Establishment for Industrial Estates (Madayn), successfully localised 22 projects during the first half of 2024, with total investments exceeding RO 43 million, spanning an area of over 239,000 square meters.

Engineer Abdullah Ahmed Al Mayasi, Director General of Sohar Industrial City, stated that during the first half of this year, Madayn completed 100 per cent of the infrastructure project for phase seven of Sohar Industrial City. Additionally, the consultancy studies project for the complementary and improvement works for phases 1-6 has been awarded. The project consists of two parts: the first, 'improvement,' aims to enhance the services provided to investors, and the second, 'development,' focuses on upgrading the areas not covered in previous projects.

He added that Sohar Industrial City managed to attract four projects in the Ladayn plastic industries complex during the first half of 2024, with an investment volume reaching RO 21 million. These projects occupy an area exceeding 53,000 square meters within the complex. Ladayn is one of the most important strategic projects in Sohar Industrial City, aiming

to achieve self-sufficiency in plastic products in the Sultanate of Oman and establish its position on the global stage. It supports the local industrial sector with new value-added products, opening avenues for developing similar industries, localizing specialized plastic industries, and employing modern technology in this sector. The project also provides potential incentives for investors and creates an attractive investment environment at both local and international levels.



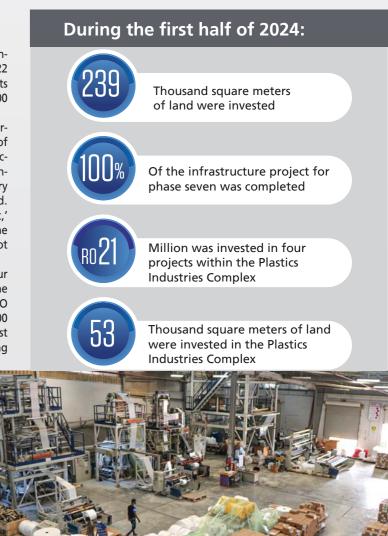




October

# **During H1 2024**





# Investment

**Total investment** volume in Nizwa **Industrial City** amounts to RO

# million Nizwa -

Nizwa Industrial City successfully localized 4 projects during the first half of 2024, with a total investment cost exceeding RO 5.5 million. These projects are being developed on an area of 67,000 square meters.

Salah Nasser Al Alawi, Acting Director General of Nizwa Industrial City, stated that the number of projects in the city has reached 175, with 154 projects operational, 13 under construction, and 8 allocated space. This has resulted in an occupancy rate of 76 percent for the developed land, which covers 3.1 million square meters. The total area of the in-



Salah Al Alawi: The Industrial City is preparing to inaugurate several vital industrial projects, most notably a factory specializing in medical solutions

dustrial city is 7.2 million square meters. He added that the total investment volume in the industrial city reached approximately RO 474 million by the end of the first half of 2024. The workforce numbers 5,707 employees, with an Omanisation rate of 45 per cent. Salah Al Alawi confirmed that (Madayn) has completed several vital projects in the first half of 2024, including sectors such as food manufacturing, building materials, glass, wood, and steel. Additionally, there are many oil and gas companies operating in equipment maintenance and oil and gas-related industries.

He also noted that the industrial city hosts several small and medium-sized projects providing services to factories and workers. The city is preparing to inaugurate several vital industrial projects, notably a factory specializing in medical solutions (currently under construction), which will contribute to enhancing health security in Oman.





Projects were localized with a total investment cost exceeding RO 5.5 million



Projects are in the city



rojects are operational



Employees make up the workforce, with an Omanisation rate of 45%

Of the developed land,

square meters, is occupied

Million square meters is the total area of the

otaling 3.1 million

# Projects have been allocated space

Industrial City



# Sohar Industrial City signs investment contract for establishing a project in the plastics sector

# Sohar -

Sohar Industrial City, affiliated with the Public Establishments for Industrial Estates (Madayn), has signed an investment contract with Abdelaziz Abbas Morsy Trading to establish a project in the plastics sector. The project will focus on manufacturing plastic products from non-hazardous waste. The project will be established on a land area of 33,298 square meters, with an investment amounting to RO 2 million.



# Investment agreement for RO 20 million pharmaceutical complex in Khazean

The Khazaen Economic City in Barka, Al Batinah South Governorate, has signed an investment agreement with Avneza Pharmaceuticals to establish a comprehensive pharmaceutical industrial complex. The investment totals RO 20 million and will cover an area of 20,000 square meters.

to meet local demand and enhance Oman's position as markets. an attractive investment destination for the pharmaceutical industry. This move aims to boost investment in the pharmaceutical sector.

The agreement was signed by Eng. Salem bin Sulaiman Al Dhahli, CEO of Khazaen Economic City, and Nizar dental implants. Adetum, CEO of Avnezo Pharmaceuticals, in the pres-Khazaen Economic City in Al Batinah South Governoence of H.E. Dr. Hilal Ali Al Sabti, Minister of Health. rate has drawn both local and foreign investments ex-The CEO of Khazaen Economic City stated that the city ceeding USD 1 billion from approximately 17 countries supports the localisation of pharmaceutical industries worldwide in recent times.





Investment contract to establish a project in the metal materials industry sector at **Mahas Industrial City** 

# Khasab - الدفق :

Mahas Industrial City, part of the Public Establishment for Industrial Estates (Madayn), has signed an investment contract with Ogab Musandam Trading Company to localize a project in the metal manufacturing sector. The project will focus on producing metal and wooden materials as well as interior design and decoration products.



The factory will focus on producing generic medicines to meet the growing demand in local, GCC, and global

He added that the city has attracted several key projects in the pharmaceutical sector, including the "Opal Biopharmaceuticals" factory, the "Biogenomics" insulin production facility, and a factory specializing in titanium



# Khazaen signs investment agreements worth RO 4 million

Barka - දියු :

Khazaen intensifies efforts to attract high-value local investment, having signed an agreement with United Modern Business to establish a comprehensive logistics center for storing construction materials. This project, with an estimated cost of RO 0.5 million, will be located on a 10,000 square meter plot.

In parallel, Khazaen is also focusing on attracting foreign investments. It has signed an investment agreement with Al Mazen Furniture to create a specialized factory for manufacturing furniture, carpets, and home furnishings. This investment, totaling RO 1 million, will be situated on a 7,500 square meter plot. Khazaen has also signed an investment agreement with Sana International to establish a specialized factory for bottling natural, mineral, carbonated waters, and juices. This investment, totaling RO 1 million, will be situated on a 5,000 square meter plot.

Finally, Khazaen signed an investment agreement worth RO 1.5 million with Arab and Indian Spices and Business to create a comprehensive center specializing in processing, packaging, and distributing dried food products, such as legumes, spices, dried fruits, sugar, and rice. This facility



will be located on a 7,500 square metre plot.

Khazaen continues its efforts to attract both foreign and local investments by providing a comprehensive investment environment that supports business growth and facilitates procedures for companies and investors. The zone is also focused on developing infrastructure and offering innovative solutions to meet the needs of various sectors, further strengthening its position as a key driver of economic development in the Sultanate of Oman.

# Khazaen signs investment agreement worth **RO 6 million to establish an Oil Recycling Plant**



# Barka - الدِصْم :

Khazaen continues its efforts to attract high-value foreign direct investments in collaboration with Invest Oman. An investment agreement has been signed with Al Rak International Investment to establish the second plant of its kind in the Sultanate of Oman. This plant

will specialize in the refining, bottling, and blending of automotive, truck, and marine lubricating oils, with quality certified to meet international standards set by the American Petroleum Institute. The project aims to serve both the local and international markets, with the investment valued at RO 6 million. The facility will be situated on a 10,000 square metre plot.



# With an investment of approximately RO 8 million

# Al Rusayl Industrial City localises 8 new projects

# Muscat - බියුම් :

In the first half of 2024, Al Rusayl Industrial City successfully localised 8 projects with an investment of approximately RO 8 million. This brought the total number of investment contracts signed during the same period to 488, with the overall investment in the industrial city exceeding RO 766 million. The workforce reached 19,854 employees, with an Omanisation rate surpassing 33 per cent.

Eng. Mohsen bin Zahran Al Hinai, CEO of Al Rusayl Industrial City, stated that the industrial city is one of the oldest industrial cities under Madayn, established in 1983. Since then, it has undergone significant development with an increase in the number of projects and allocated areas. He added that the industrial city's area has expanded from 3.5 million to 10.5 million square meters, with approximately 6.8 million square meters developed and about 95 per cent of it occupied.

He also noted that, as part of ongoing efforts to enhance infrastructure and achieve sustainable development, Al Rusayl Industrial City recently completed several vital projects in logistics and industrial development, with a total cost of around RO 37.8 million. This included the development of a 500,000 square meter logistics area and the second phase of development covering 2.4 million square meters, which will boost the city's ability to meet the needs of both the logistics and industrial sectors and stimulate economic growth.

The CEO of Al Rusayl Industrial City highlighted that the city has improved road entrances to better accommodate traffic flow, reducing traffic accidents and easing congestion. This reflects the city's commitment to providing a safe



dents and visitors.





Eng. Mohsen Al Hinai: The area of the industrial city increased from 3.5 million to 10.5 million square meters, with approximately 6.8 million square meters developed and around 95 per cent of it occupied

and smooth environment for both resi-

Regarding previous infrastructure, Eng. Al Hinai noted that the roads have been rehabilitated to meet the latest global standards, and communication

# By the end of H1 2024

The total number of investment contracts signed in the industrial city reached 488

The total investment in Al Rusayl Industrial City amounted to RO 766 million

The number of employees eached 19,854, with an manisation rate exceeding 33%

networks have been updated. Notably, a modern fiber optic network has been installed throughout the industrial city, ensuring high-quality connectivity and enhancing the city's technological environment.

He also emphasized that the Public Establishment for Industrial Estates (Madayn) is continuously focused on sustainability and keeping up with technological advancements. The city is currently exploring the possibility of treating and reusing wastewater for industrial purposes in Al Rusayl Industrial City, as well as considering the addition of monitoring and surveillance technologies to enhance operational efficiency and environmental safety.

Furthermore, the CEO mentioned ongoing efforts to beautify the main entrance of the industrial city. This reflects Madayn's vision for sustainable development and improving the level of services and infrastructure in Al Rusayl Industrial City, positioning it among the leading cities in the region.

Investment Applications in Madayn Increase by 30%

# The number of applications reached 184, compared to 141 during the same period in 2023

# Muscat - දියුවූ :

By the end of the first half of 2024, the industrial cities under the Public Establishment for Industrial Estates (Madayn) saw significant growth in their digital indicators, including the number of applications and the investment volume of ongoing projects.

Eng. Dawood Salim Al Hadabi, CEO of Madayn, confirmed that the number of investment applications submitted to Madayn increased by 30 per cent during the first six months of 2024, reaching 184 applications compared to 141 during the same period in 2023.

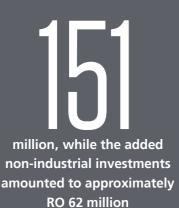
He stated that the total investment volume in all industrial cities affiliated with Madavn reached RO 7.6 billion. compared to approximately RO 7.4 billion at the end of 2023, reflecting a growth rate of 2.3 per cent, amounting to RO 177 million. He added that the volume of added industrial investment accounted for around RO 151 million, while the added non-industrial investments amounted to approximately RO 62 million. Sohar Industrial City recorded the highest increase in total investment volume compared to other industrial cities, with an increase of RO 53 million during the same period this vear.

Regarding the investment project indicators in the industrial cities affiliated with Madayn, he explained that the number of investment contracts reached 2,310 by the end of the first half of 2024, marking a growth of 0.65 per cent compared to the end of 2023. These contracts are distributed as follows: 70 per cent in industrial in-





The volume of added industrial investment accounted for around RO



vestment, 12.6 per cent in commercial investment, 7.3 per cent in service investment, 4.8 per cent in technology investment, and 5.3 per cent in other sectors.

Eng. Al Hadabi stated that the number of employees in localized investments is approximately 55,000, compared to around 50,000 by the end of 2022, reflecting an increase of 10 per cent. The Omanisation rate reached 38 per cent, with 81 per cent of the workforce concentrated in the industrial sector compared to other investment fields in the industrial cities.

He pointed out that the indicator of leased areas in the industrial cities increased by 0.30 per cent, with the total leased areas for localised investments reaching 33.7 million square meters by the end of the first half of 2024, compared to 33.6 million square meters. This represents an occupancy rate of 35 per cent of the total leasable developed and undeveloped areas in the existing cities. He also noted that the institution issued 297 permits for service providers and 889 activity licenses





143 companies operating in Salalah Free Zone

# Industrial projects make up 57% of the total projects

# Salalah - සංකා :

Salalah Free Zone (SFZ), part of Asyad Group, is a dynamic and diverse center, significantly contributing to the enhancement of the local and national economy through its attraction of several vital sectors. Dr. Ali Mohammed Tabuk, CEO of SFZ, confirmed that the Zone is experiencing a significant influx of investors for localising their investment projects due to the multiple incentives and benefits it offers, as well as its strategic geographic location, which makes it an ideal destination for investors. It helps shorten distances, reduce time, and lower costs to reach markets in the Middle East, the Indian subcontinent, and East Africa.

He stated that the cumulative investment in the Zone exceeded RO 4.6 billion by the end of June 2024, noting that the investment volume in the first half of this year amounted to more than RO 68 million. He also mentioned that the number of companies operating currently stands at 143, with 64 projects in operation. Industrial projects make up 57 per cent of the total projects in the Zone, while logistics projects account for 15 per cent and commercial projects represent 28 per cent.

He explained that the number of projects attracted during the first six months of this year reached 13, re-

Ctober 2024 Dugm

among other products.

Dr. Ali Mohammed Tabuk: stated that the Zone is experiencing significant interest from investors for localising their investment projects due to the multiple incentives and benefits it offers, as well as its strategic geographic location



lating to the production of raw materials from frankincense derivatives, packaging products, air conditioning equipment manufacturing, textile production, and the import, export, and repackaging of potassium fertilisers,

Dr. Tabouk mentioned that the existing projects in the Zone vary between the petrochemical sector, mineral processing including limestone and gypsum, growing food and pharmaceutical manufacturing, as well as logistics and storage activities. He added that there are also projects in the field of import and export, thanks to its stra-

tegic location near the Port of Salalah, one of the most important ports in the region, along with numerous manufacturing and assembly operations, from automotive parts to consumer goods.

The CEO of SFZ highlighted that the Zone offers a range of services and facilities to investors and companies operating within it to support the efficient execution of their business activities. These services include land leasing, warehouses, offices, as well as one-stop shop services that simplify the process of issuing permits, visas, investor registration, licenses, commercial registration via Invest Easy system, and the issuance of the Oman Chamber of Commerce and Industry (OCCI) cards, among other services that enhance the business environment in the Zone.

The SFZ, along with other free and economic zones under Asyad Group, plays a crucial role in attracting foreign direct investments by providing an ideal environment for expansion and access to international markets. This is supported by the integrated logistics solutions offered by the group, which encompass all aspects of supply chains, including storage services and maritime transport lines that ensure smooth and secure movement of goods from Omani ports to global ports, in addition to enhancing port-related logistics activities, last-mile delivery services, and meeting customer needs efficiently.

# Abdelmoniem K.Khogaly

# Green economy: Path to sustainable development

The green economy is a concept that integrates economic growth with environmental sustainability. It emphasises reducing carbon emissions, improving energy efficiency, and minimizing waste, while enhancing economic resilience and social well-being. This economic model is designed to address the urgent challenges of climate change, ecosystem degradation, and resource depletion. By shifting from traditional, resource-intensive industrial models to greener alternatives, a future is promoted where economic prosperity coexists with environmental health.

The rise of the green economy is driven by the need for a more sustainable and responsible approach to development, especially in light of global concerns over increasing carbon emissions, pollution, and resource exploitation. As the impacts of climate change become clearer, the pressure has intensified on governments, businesses, and communities to adopt green practices, leading to a global movement supporting sustainable economic practices.

#### Overview of green economy ecosystem

The green economy encompasses a wide range of sectors and activities aimed at reducing environmental impacts. The core pillars of the green economy include renewable energy systems, low-carbon transportation, sustainable manufacturing, the circular economy, and addressing international concerns about carbon emissions and pollution.

A central component of the green economy is the transition to renewable energy sources, such as solar, wind, hydro, and geothermal power. These systems provide clean energy that reduces dependence on fossil fuels, the primary source of carbon emissions. By investing in renewable energy infrastructure, it is possible to lower greenhouse gas emissions, reduce air pollution, and enhance energy security.

The transportation sector is one of the largest contrib-

utors to carbon emissions. The green economy promotes low-carbon alternatives, such as electric vehicles, hybrid technologies, and public transportation systems powered by renewable energy. These innovations reduce emissions from traditional combustion engines and encourage the development of more efficient and sustainable urban mobility solutions.

Global warming and environmental degradation have become critical international concerns, driven by unsustainable economic activities that lead to high levels of carbon emissions and pollution. The destructive effects of climate change - including rising sea levels, extreme weather events, and biodiversity loss - pose a significant threat to global stability.

Recognizing the urgency of these challenges, governments and international organizations have intensified their efforts to protect the planet. Rising pollution levels, particularly in rapidly expanding industrial areas, have led to the launch of global action plans, such as the Paris Agreement (2015), which aims to limit global temperature rise and commits countries to deliver nationally determined contributions to reduce greenhouse gas emissions.

By reducing greenhouse gas emissions and transitioning to low-carbon technologies, the green economy helps prevent the worst impacts of climate change. Sustainable agricultural practices and pollution control efforts are also integral to preserving ecosystems and the biodiversity they support. Furthermore, transitioning to renewable energy reduces dependence on finite fossil fuels, making economies more resilient to fluctuations in energy prices.

One of the positives of the green economy is that it enhances innovation and creates new job opportunities in industries such as renewable energy, clean technology, and sustainable agriculture. International organizations have played a crucial role in advancing the green econ-



omy agenda, with many UN agencies and multilateral organizations providing political guidance, financial support, and technical assistance to countries transitioning to a green economy.

The green economy closely aligns with the UN Sustainable Development Goals (SDGs), which emphasise international commitment to combating climate change, reducing environmental impact, and ensuring access to clean energy for all. Countries are increasingly setting national goals that align with the sustainable development agenda, albeit with varying degrees of commitment.

Political and social support for the green economy is on the rise, as many countries integrate green policies into their national development strategies. Governments are increasingly recognizing that the transition to a green economy is not just an environmental necessity, but an economic opportunity to generate jobs, support innovation, and enhance long-term economic resilience.

Thus, the green economy offers a viable pathway to address the global environmental crisis while promoting economic growth and social well-being. By prioritizing renewable energy, low-carbon transportation, and sustainable manufacturing, the green economy creates opportunities for creativity, generates jobs, and facilitates a more equitable distribution of resources.

#### Oman and green economy

Maintaining environmental sustainability is one of the key pillars of Oman Vision 2040, which aims to ensure the protection and safe, sound use of natural resources, safeguard people from harmful environmental impacts, and generate economic opportunities by leveraging the environment.

In this context, the Sultanate of Oman adopts the principle of environmental sustainability and is committed to the foundations established by the UN SDGs, which focus on:

- Implementing urgent measures to combat climate change and transition to a sustainable, low-carbon energy future.
- Preserving biodiversity, protecting ecosystems, and combating desertification through sustainable land and water management.
- Promoting sustainable consumption and production patterns while minimizing waste and environmental degradation. The Sultanate of Oman's policies and pro-



tional policy:



Economic Advisor

grams are based on the understanding that the green economy provides prosperity for all within the environmental limits of the planet. This approach follows five key principles, each grounded in significant precedents in interna-

The green economy enables the creation of well-being and enjoyment of it, enhances equality within and between generations, protects and restores nature while investing in it, supports sustainable consumption and production, and is guided by integrated, accountable, and resilient institutions.

Role of OPAZ in transition to a green economy As the investment arm of the Sultanate of Oman in the fields of manufacturing and free zones, the Public Authority for Special Economic Zones and Free Zones (OPAZ) is committed to its mission of "developing and regulating the areas under its jurisdiction and providing an attractive and sustainable investment environment." OPAZ is making steady progress towards implementing renewable energy projects and fostering a green economy.

The Authority monitors global consumer demand for sustainable products and international commitments to reduce emissions, which drives the demand for renewable energy. It responds to the desires of global and regional manufacturers seeking locations that can provide clean, green energy and materials. OPAZ is also guided by the Sultanate of Oman's stated commitment to reducing emissions when making decisions and approving large-scale investments, which are traditionally the most polluting.

Recognizing that developing the hydrogen sector in Oman presents opportunities to attract investors in green energy, OPAZ has initiated the green hydrogen and green ammonia project, which has begun planning in the Special Economic Zone at Dugm (SEZAD). This project is one of the first large-scale initiatives of its kind internationally, heralding a new era in the production of clean energy based on renewable hydrogen to support the global energy transition. In its first phase, the project aims to produce approximately 330,000 tons of green ammonia, aligning with the Sultanate of Oman's ambitious green energy goals outlined in Oman Vision 2040.

Additionally, OPAZ is mindful that the unified national investment strategy prioritises the manufacturing of green steel and solar energy equipment as key objectives.

**Governments** are increasingly recognising that the transition to a green economy is not just an environmental necessity, but an economic opportunity to create jobs, support innovation and enhance long-term economic resilience

**OPAZ** has recognised that developing the hydrogen sector in the Sultanate of Oman creates opportunities to attract green energy investors. It has embarked on the implementation of the green hydrogen and green ammonia project, which began its planning phase in the SEZAD

**Rising investments increase student numbers in Dugm** 

# **Education in line with development**

# Duqm - 🖧 :

The Special Economic Zone at Dugm (SEZAD) has seen growth in the number of students in general and primary education, reflecting the rise in investments and the relocation of many Omani and expatriate families to Dugm. This increase is attributed to the availability of services and facilities that encourage residents to settle in the area.

Over the past five years, the number of students in public and private schools in the region has risen to over 1,740, compared to 1,181 students in the 2018/2019 academic year, marking a growth rate of 47.3 per cent. This growth coincides with the opening of A'Soud Global School in

2021.

Eng. Ahmed Ali Akaak, CEO of SEZAD, stated that the region is poised for further investments in the education sector, reflecting the scale of growth in the ongoing projects.

He added that the management of the SEZAD is working to attract additional investments that support the

Eng. Ahmed Ali Akaak stated that the region is poised for further investments in the education sector, reflecting the growth in the projects being implemented

stability of the local and expatriate workforce, and to implement various projects that make Dugm a preferred place for living, residency, and work.

The total number of schools in Duqm is 8, comprising 6 public schools and 2 private schools: A'Soud Global School and the Indian School in Dugm, in addi-



tion to several kindergartens that serve pre-school students.

Amandine Goffart, Principal at A'Soud Global School in Dugm, noted that the school has experienced significant growth since its establishment. It began as a primary school and now offers education from kindergarten through to grade 12, based on the internationally recognized British curriculum accredited by the University of Cambridge.

Goffart highlighted that the School focuses on developing students and preparing them to become future leaders. She noted that the school has signed a memorandum of understanding with Middle East College to facilitate collaboration between students and teachers, providing

> access to shared teaching facilities to enhance experience and holistic development. She commended the support the school has received from the management of the SEZAD, emphasizing that the region's development and the exceptional support from the zone's team have significantly contributed to this impressive growth in a short period.

# 'Maseer' programme equips 400 students with advanced technical skills

# : الدقم - Suhar :

As part of its commitment to developing local talent and empowering Omani youth, Sohar Port and Free Zone concluded the second edition of the Maseer summer programme for 2024. The three-week programme saw the participation of over 400 students from the Wilayats of Liwa and Sohar. The programme focused on equip-

ping participants with essential skills in advanced technologies and raising their awareness of the available edu-

ity," aimed to provide diverse handson training opportunities in areas such as cybersecurity, artificial intelligence, renewable energy, and 3D design, thereby enhancing the youth's readiness for a promising digital future.

The Maseer programme is the result of a collaboration between Sohar Port under the supervision of specialists, and Free Zone and Kidsity. It aims to allowing students to participate in offer training opportunities in various fields, including cybersecurity, artificial intelligence, cloud computing, smart city development, web development, Arduino programming, 3D cational opportunities. This initiative, design using CAD software, photogra-

launched in collaboration with "Kids- phy, photo editing, and renewable energy solutions. Through education and practical training, the programme has empowered students and equipped them with the knowledge needed to leverage the vast digital opportunities available globally

> The programme was organized various workshops and gain practical training focused on advanced technologies. The closing ceremony, presided over by Sheikh Haitham Al-Shehi, Deputy Wali of Liwa, honored the participants for their dedication and



# Suhar -

In a move aimed at boosting innovation and advancing research and development, Sultan Qaboos University (SQU) and Sohar Port and Free Zone have signed a strategic partnership agreement to expand collaboration between the two parties. This agreement targets the integration of SQU's academic expertise with the practical experience of Sohar Port and Free Zone, with the goal of achieving sustainable growth and addressing technological challenges in alignment with Oman Vision 2040.

The agreement was signed by His Highness Sayyid Dr. Fahd bin Al Jalindi Al Said, President of SQU, and Engineer Abdullah bin Khalfan Al Jabri, Chairman of the Board of Sohar Port and Free Zone.

This collaboration reflects SQU, Sohar Port and Free Zone's commitment to driving innovation and building part-

commitment during the programme, as well as for their success in showcasing their skills and innovative projects. Aisha Al Muqbali, one of the students who participated in the Maseer programme, commented, "The pro-

gramme provided me with an excellent opportunity to learn and acquire new skills that will benefit me in the future. The workshop I enjoyed the most was the 3D design workshop, where we used Tinkercad to create



nerships for sustainable growth. By leveraging SQU's academic excellence, Sohar Port and Free Zone will enhance their development in key technological areas through the integration of practical expertise with academic insights. This synergy aims to overcome challenges and achieve shared goals, contributing to the growth of the national economy in alignment with Oman Vision 2040.

The agreement is expected to leverage expertise in artificial intelligence, the Internet of Things, and autonomous vehicles to accelerate innovation at Sohar Port and Free Zone. It outlines various cooperation avenues, including joint research projects that integrate Sohar Port and Free Zone's practical experience with the university's academic knowledge in these technologies. The agreement also aims to build a sustainable educational environment for knowledge dissemination and expertise sharing through organizing and host-

ing relevant conferences, workshops, and seminars. Additionally, it seeks to enhance joint scientific publications, exchange expertise, and highlight success stories from collaborative research projects between the University, Sohar Port and Free Zone.

The agreement also supports the Oman Competition for drones, which is an annual event organized in partnership between SQU and the Ministry of Transport, Communications, and Information Technology (MTCIT). This competition aims to train university and college students in the Sultanate on drone technology and its integration with artificial intelligence to create autonomous systems. The agreement includes provisions for facilitating field visits and hands-on training for SQU students at Sohar Port and Free Zone, providing them with practical insights into the challenges and opportunities within the industrial sector, particularly in logistics.



models and apply them practically using 3D printers. The programme was well-organized, and the trainers used simple methods to help us understand new technologies, which significantly improved my skills."

Mohammed Al Bahri, another participating student, added, "I greatly enjoyed the educational experience the programme offered me. It allowed me to improve my English language skills and participate in workshops that combined learning with fun. The programme also boosted my confidence in speaking English. I highly recommend my friends join the upcoming editions of the programme to gain skills and knowledge that will benefit them in the future."



Production began last year with 25 million plates

# Al Watania Al Khalijia for Paper Products in Khazaen supplies egg production sector in Sultanate of Oman

# Barka - දිද්දු :

Al Watania Al Khalijia for Paper Products factory in the Khazaen Economic City began production last year with a production capacity of up to 25 million trays annually, to meet the needs of the egg production sector in the Sultanate of Oman. The factory was established in 2022 on an area of 10,000 square meters with the goal of providing high-quality egg trays to meet the needs of local and regional markets.

The General Manager of the factory, Eng. Fouad Ibrahim, explained in an interview with Dugm Economist Magazine that the factory offers products of the highest quality in the region at competitive prices, utilizing the latest automated production technologies and quality testing.

He noted that the factory has a total production capacity of over 48 million egg trays annually. The factory has contracted with four egg production farms and two traders, supplying approximately 18 million trays to the local market during the past year, 2023

He added that by next year, 2025, studies will commence to establish a new production line and install a modern machine to increase production capacity. Additionally, paper trays with lids accommodating 10 eggs per tray will be produced,





along with two types of cup holders with capacities ranging from two to four cups.

He continued, "We are committed to environmental sustainability in our manufacturing processes. The factory uses 100 per cent recyclable materials, benefiting from various types and colors of local paper waste, such as cardboard, print scraps, newspapers, and books. Raw materials are stored in large warehouses equipped to handle the substantial quantities required for this industry."

The General Manager emphasised that the giant industrial principles adopted by Al Watania are still in place, based on global standards in operation and manufacturing, using the latest production technology and the best administrative, en-





Eng. Fouad Ibrahim: The factory offers the highest quality products in the region at competitive prices for the egg production sector, utilizing the latest automated production technologies and quality testing

gineering, and technical staff. Egg trays are produced in various colors and three sizes to accommodate different egg sizes.

Regarding storage, shipping, and supply, he said, "The factory relies on the latest Enterprise Resource Planning (ERP) systems to manage all operational and administrative processes efficiently, ensuring product quality and accurate delivery and shipping schedules."

On quality control, he stated, "The factory maintains a keen focus on product quality through a quality control department equipped with the latest devices and equipment. This department conducts thorough evaluations of incoming materials, monitors production processes, and verifies product quality.

He explained that "The factory's massive production capacity and adherence to global standards make it a reliable supplier for many clients across various sectors, providing their needs efficiently. The





The factory was established in 2022 on an area of 10,000 square meters with the aim of providing high-quality egg trays to meet the needs of local and regional markets

the number of egg production

farms the factory has contracted with, along with two traders

> company continues to update and develop its products to serve customer goals and production and distribution plans in the short and long term."

03

million: the number of trays

supplied to the local market

last vear

In conclusion, he highlighted the importance of marketing and customer service, noting that the company strives to sustain relationships with existing clients and attract new ones by building strategic partnerships, participating in local and international exhibitions, and continuously improving products and services.

Navigation

# **Asyad** expands line services to enhance trade connectivity between Oman, the GCC and East Asia

IRENES WISDOM

Muscat - දියුවූ :

Asyad Line, a company within the Asyad Group, has announced a major expansion of its Fast East Express Service starting August 2024. This expansion will include bi-weekly scheduled voyages connecting major ports in China, India, and the GCC region. The move aims to enhance trade connectivity between the GCC region and the East, solidifying the Sultanate of Oman's position as a key hub for global shipping and transshipment.

The enhancement of the leading service line contributes to providing better and more competitive solutions for companies seeking effective and reliable shipping options. By adding direct voyages to several key global ports from Sohar Port in the Sultanate of Oman, this service becomes the optimal choice for reducing transit times and facilitating international trade.

Aligned with Asyad Group's proactive expansion strategy, this strategic move addresses the increasing demand for regular and reliable shipping services on this vital trade route. Additionally, this service strengthens Oman's position as a regional hub attractive to Asian investments, highlighting the country's strategic location and favorable business environment.

Commenting on this significant addition, Dr. Ibrahim Al Nadhiri, CEO of Asyad Shipping and Drydock, stated: "The develop-



**Dr. Ibrahim** Al Nadhiri: We are confident that this service will open new horizons for businesses and contribute to the growth of the national economy

ment of the Fast Far East Service by Asyad Lines reflects our strong commitment to connecting key markets and enhancing smooth trade flows. This strategic expansion not only strengthens our presence in Asian markets but also affirms Oman's position as a vital logistical hub in the region. We are confident that this service will open new opportunities for businesses, contribute to ational economic growth, and provide new oportunities for our partners and clients." In addition to optimizing and environmentally enhancing the shipping routes covered by this expansion, this addition represents a step towards implementing Asyad Group's sustainability strategy with a focus on environmental responsibility. This includes upgrading its modern fleet to meet stringent international emission control standards and improving energy efficiency. The group continues to invest in updating its vessels and adopting sustainable environmental practices to reduce its carbon footprint, positioning itself at the forefront of regional and global

TRANS ASIA

companies committed to preserving the marine environment. It is worth noting that Asyad Shipping is a

key player in maritime transportation services, operating a diverse fleet of over 80 ships with a total static cargo capacity of 9 million tons. This extensive fleet ensures the provision of high-quality and efficient shipping solutions to its clients worldwide.





# million standard containers

Salalah - සිද්දේෂය :

In the first half of 2024, Port of Salalah handled approximately 1.7 million standard containers and 11.6 million tons of general cargo, achieving a net profit of RO 1.570 million.

Eng. Mohammed Al Mashani, Chief Corporate Affairs Officer at Port of Salalah, stated that the Port is currently connected with many of the world's largest shipping lines and plans to attract more global shipping lines in the near future.

He added that the Port is currently working to increase the container terminal's capacity to 6 million standard containers annually by the first quarter of 2025. He emphasized the strategic geographic location of the Port and its pivotal role in the region for re-exporting, connecting Europe, Asia, and Africa. He also noted that the port has



received 10 new cranes for cargo handling from



Dugm 2024



Eng. Mohamed Al Mashani: - The Port is currently connected with many of the world's largest shipping lines, and there are plans to attract more in the coming period

ships, bringing the total number of cranes at the port to 27.

Al Mashani highlighted that Port of Salalah plays a vital role in boosting the local economy of Dhofar Governorate by providing exceptional connectivity for importers and exporters in

global trade. The port's high efficiency enhances local business confidence and serves as an attractive factor for foreign investors considering investments in the governorate, whether in Raysut Industrial City, Salalah Free Zone, or Al Mazunah Free Zone

Mahmoud Said Al Aufi

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# Empowering

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# **Innovative investment:** Path to a sustainable and advanced economy

In the context of rapid technological advancements and growing globalisation, innovation has become an indispensable key to achieving sustainable economic growth. Investment is no longer reliant solely on traditional capital flows; instead, innovative investment has emerged as the new driving force to boost growth and enhance competitiveness. Today, innovative investment is a fundamental pillar for creating new economic opportunities and supporting sustainable development worldwide.

The Sultanate of Oman is making significant progress in adopting innovative investment as a means to enhance its economic growth and diversify its revenue sources by focusing on emerging sectors such as green technology and renewable energy. The country has successfully improved its investment environment and attracted more foreign investments to this crucial sector. This approach effectively contributes to the development of new industries that support sustainable development goals, solidifying the Sultanate of Oman's position as a leading nation in the region capable of adapting to global changes and addressing future challenges.

Special economic zones, free zones, and industrial cities have become major hubs for innovative investments, offering a conducive legislative and regulatory environment that supports startups and ambitious projects. These areas provide the incentives and facilities necessary to attract companies focused on innovation, contributing to a dynamic environment that enhances competitiveness and drives the economy towards new horizons.

Investment in technology and entrepreneurship is a key driver for increasing productivity levels by improving processes and developing new products and services. This investment helps create new jobs, particularly in high-growth sectors such as green technology and renewable energy, which reduces unemployment and fosters a knowledge-based and innovative economy. Furthermore, innovative investment enables companies and countries to enhance their competitiveness in global markets by offering distinctive products and services that set them apart from competitors

In addition to its role in enhancing economic growth, innovative investment plays a central role in achieving sustainable development goals. By developing technological solutions that contribute to environmental conservation and improving quality of life, it paves the way for a more sustainable future for future generations. Supporting innovation also creates promising economic opportunities and drives comprehensive development.

In conclusion, innovative investment is the optimal path toward a sustainable and advanced economy by fostering new technologies and innovation. Countries and companies can enhance their competitiveness and thrive in a rapidly changing global environment. Therefore, the future demands a greater focus on developing a flexible and conducive investment environment that supports innovation and provides promising economic opportunities for the next generations. This is a vision that the Sultanate of Oman recognises and strives to achieve through its ambitious strategic plan, Oman 2040, for a sustainable and prosperous future.



The Sultanate of Oman is making significant strides in adopting innovative investment as a means to boost its economic growth and diversify its revenue sources by focusing on emerging sectors such as green technology and renewable energy

# **Statistics**

With an 18% increase

# **Goods entering Al Mazunah Free Zone exceed** RO 166 million in first 9 months of 2024



# Al Mazunah - الدفري :

The value of goods entering Al Mazunah Free Zone exceeded RO 166.033 million during the first nine months of this year, marking an 18 per cent increase compared to the same period in 2023, when the value of goods was RO 140.9 million.

According to the report issued by the management of the Zone, which was exclusively shared with Duqm Economist Magazine, the weight

of incoming goods reached over 162,900 tons during the corresponding period of 2024, an 8 per cent increase compared to 151,700 tons in 2023.

The data also showed a 27 per cent increase in the number of vehicles entering the zone, totaling 3,529 vehicles with a combined value exceeding RO 15.077 million, compared to 2,775 vehicles during the same period in 2023.

It is worth noting that the total investment volume in Al Mazunah Free Zone rose to RO 140 million during the first half of this year, with 185 lease agreements across various sectors, including 102 projects in the operational phase.

Al Mazunah Free Zone, managed and operated by the Public Establishment for Industrial Estates (Madayn), is the first of its kind in the Sultanate of Oman. Located in the far southwest on the border with the Republic of Yemen, it serves as a key GCC gateway for transit trade to Yemen and onward to East African countries.

# S&P upgrades Oman's credit rating to BBB- with a stable outlook

# New York -

Standard & Poor's (S&P) raised its credit rating for the Sultanate of Oman in its second report, upgrading it from "BB+" to "BBB-" with a stable outlook, citing improvements in the country's financial performance. The "BBB-" rating by S&P is the first level of the investment-grade scale, representing a safe investment environment. The Sultanate of Oman has returned to this rating category after nearly seven years (since 2017), during which its rating had fallen due to the impact of global oil price declines and the COVID-19 pandemic. It took Oman two and a half years of committed efforts to regain this rating.

In its report, the agency attributed the credit rating improvement to the continued implementation of pub-



lic finance enhancement measures through various financial and economic initiatives and reforms, as well as government restructuring efforts, which have restored fiscal balance between revenues and public spending as planned in the Medium-Term Fiscal Plan. The government has also begun to generate financial surpluses, along with a strong commitment to reducing public debt and improving the governance of state-owned enterprises by lowering their debt levels. Thanks to higher average oil prices and the positive outcomes of these financial measures, the government has strengthened the country's financial position, allowing for more flexibility in dealing with any sudden external shocks. The agency expects Oman's general budget to achieve moderate financial surpluses of 1.9 per cent

during the period 2024-2027, assuming an average Brent crude oil price of around USD 80 per barrel during 2025-2027. This would enable the government to continue reducing public debt and building financial reserves.

Additionally, the agency predicted that real GDP (at constant prices) would grow by an average of 2 per cent annually during the period 2024-2027. Higher average oil production through 2027 is expected to continue stimulating non-oil sector growth at around 2 per cent per year.



# **Oman's trade balance surplus** surpasses RO 2 Billion

# Muscat - 윤양 :

The Sultanate of Oman's trade balance recorded a surplus of RO 2.989 billion by the end of May 2024, compared to a surplus of RO 2.986 billion during the same period in 2023, according to preliminary statistics from the National Center for Statistics and Information (NCSI).

Statistics indicate that by the end of May 2024, the value of merchandise exports from the Sultanate of Oman reached RO 9.689 billion, a 5 per cent increase from RO 9.224 billion during the same period in the previous year. Meanwhile, merchandise imports amounted to RO 6.700 billion, up 7.4 per cent from RO 6.238 billion in the same period last year.

The increase in export value is primarily attributed to a rise in Oman's oil and gas exports, which reached RO 5.937 billion, up 1.8 per cent from RO 5.833 billion at the end of May 2023.

By the end of May 2024, among Oman's oil and gas exports, the value of crude oil exports reached RO 4.297 billion, marking a 7.6 per cent increase compared to the same period last year. However, the value of refined oil exports decreased to RO 579 million, a decline of 8.7 per cent. Additionally, the value of liquefied natural gas (LNG) exports fell to RO 1.061 billion, down 12 per cent from the

end of May 2023. the end of May 2023.



The statistics revealed an 11.2 per cent increase in the value of non-oil exports by the end of May 2024, reaching RO 3.045 billion compared to RO 2.737 billion at

The highest value among non-oil exports was achieved by metallic products, amounting to RO 1.101 billion, an increase of 23.1 per cent compared to the same period in 2023. This was followed by ordinary metals and their products, which totaled RO 560 million, up by 8.9 per cent. Chemical products and related industries saw a decline, with exports valued at RO 435 million, down by 7 per cent.

Additionally, exports of plastics and rubber products rose to RO 399 million, marking a 13.5 per cent increase. Exports of live animals and animal products grew by 2.5 per cent, reaching RO 149 million. The value of other exports amounted to RO 401 million.

The value of re-exports from the Sultanate of Oman increased to RO 707 million by the end of May 2024, reflecting an 8.1 per cent rise compared to the same period in 2023. Re-exports in transport equipment amounted to RO 188 million, down by 0.5 per cent, while re-exports of machinery, electrical equipment, and parts rose to RO 165 million, up by 2 per cent. Re-exports in food and beverage products grew by 13.7 per

cent, reaching RO 66 million, and re-exports of metallic products surged by 56.2 per cent to RO 66 million.

Conversely, the value of re-exports of live animals and animal products decreased to RO 53 million, a drop of 14.8 per cent, while re-exports of other products totaled RO 169 million.

In contrast, metallic products had the highest value among Oman's imports, totaling RO 1.967 billion by the end of May, a 13.7 per cent increase. This was followed by machinery, electrical equipment, and sound recording and broadcasting devices, which amounted to RO 1.121 billion, reflecting an 18.5 per cent growth. Ordinary metals and their products were valued at RO 643 million, showing a 2.3 per cent decrease.

Imports of chemicals and related industries were valued at RO 601 million, a 5.8 per cent decrease, while transport equipment imports rose to RO 574 million, an increase of 2.4 per cent.

The United Arab Emirates led in non-oil trade exchanges with Oman by the end of May 2024, with a value of RO 395 million, marking a 15.1 per cent increase from the same period in 2023. It also topped the list for re-exports from Oman, totaling RO 244 million, and was a major source of imports for Oman, with a value of RO 1.582 billion.

Report

# **Duqm Refinery** Oman's gateway to a green and sustainable future

One of the most advanced refineries, utilising technologies to reduce emissions and enhance energy efficiency

formative investments in the en-

# Exclusive for -

OQ8 and petrochemical industries in Special Economic Zone at Duqm (SEZAD) aligns seamlessly with Oman Vision 2040 and is pivotal in shaping Dugm into a worldclass industrial and logistics hub.

#### Oman powers its future through key economic drivers

As part of Oman's Vision 2040 economic diversification strategy, which seeks to reduce dependence on oil exports and create sustainable jobs, the \$9 billion investment in OQ8, plays a crucial role. With a refining capacity of 230,000 barrels per day, OQ8 not onl

As global energy markets continue to evolve, Oman is strategically positioning itself to become a major energy hub, capitalising on its prime location and vast natural resources. At the heart of this vision is OQ8, a joint venture between OQ and Kuwait Petroleum

ergy sector. The focus y serves as a driving force for economic growth in the Dugm region by integrating it into global supply chains, but also elevates Oman's stature and competitiveness in global energy markets. It underpins the nation's potential to emerge as a global industrial powerhouse, opening doors to international investments and ensuring the long-term sustainability of the region's economic growth.

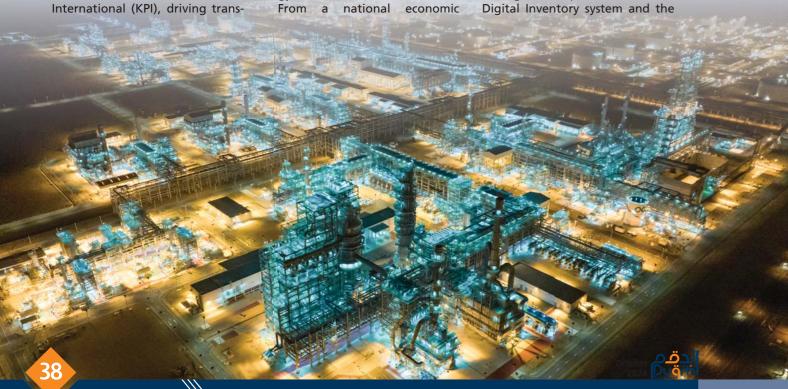
Dugm's strategic location on the southeastern coast of Oman provides direct access to key international shipping routes through the Indian Ocean and Arabian Sea. This positions Oman as a natural gateway to fast-growing markets in Asia and Africa. With refined products like diesel, jet fuel, and liquefied petroleum gas (LPG) already in high demand in these regions, OQ8 is set to play a pivotal role in meeting global energy needs.

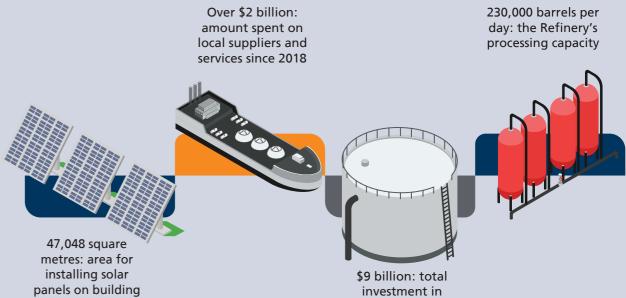
perspective, OQ8's investments are fuelling GDP growth , job creation and numerous additional opportunities generated for local businesses through procurement and service contracts. OQ8's commitment to local economic empowerment is evident, with over \$2 billion spent on local suppliers and services since 2018.

#### Harnessing advanced technology for operational excellence

One of OQ8's most significant achievements is OQ8, a key driver of industrial development in Oman and a model of sustainable industrial growth. As one of the most technologically advanced refineries in the region, it processes crude oil into valuable products like naphtha and sulphur while integrating cutting-edge technology to reduce emissions and optimise energy use.

OQ8's commitment to technological innovation is evident through the implementation of a





rooftops

SAP Integrated Business Planning (IBP) Tool, which has optimised inventory management for maintenance, repair, and operations (MRO) materials. By leveraging these tools, OQ8 improves demand forecasting and strategic stock management, significantly enhancing operational efficiency.

Automation systems, including Distributed Control Systems, Fire & Gas Systems, and Burner Module Systems, further support OQ8's operational excellence by enhancing Refinery safety and process integrity. OQ8 also utilises SAP applications for smart manufacturing and predictive modelling, which streamline processes while maintaining high standards of safety and environmental compliance.

The company also invests in digital transformation, utilising artificial intelligence (AI) and predictive maintenance tools to optimise performance and reduce downtime. These technologies, combined with the Refinery's state-of-theart design, enable OQ8 to achieve operational efficiency while maintaining strict safety and environmental standards.

In line with Oman's broader goals to diversify its energy mix, OQ8 is exploring green hydrogen production, positioning Dugm to become a leader in future clean energy solutions. This focus on advanced technology not only drives operational efficiency but also aligns with Oman's commitment to reducing its carbon footprint and leading the global shift towards renewable energy. OQ8 employs a range of advanced technologies aimed at sustainabil-

Dugm 2024

ly burned during flaring. tems.

# communities

OQ8's presence in Dugm is not only transforming the region's energy landscape but is also delivering substantial economic and socio-economic benefits. The Refinery's operations are expected to create thousands of direct and indirect jobs, driving local employment and skill development. Additionally, OQ8's commitment to in-country value (ICV) practices ensures that a significant portion of its procurement is sourced from Omani suppliers, further stimulating local businesses and contributing to the national economy. Beyond economic growth, OQ8 is actively involved in social invest-

ity and reducing its environmental impact. One key innovation is the integration of solar energy, with solar panels installed across 47,048 square meters of rooftop areas and 295 standalone streetlights, generating 3.541 GWh of energy since January 2023. To reduce greenhouse gas emissions, OQ8 uses a Flare Minimisation Plan and a flare gas recovery system, which recovers gases typical-

the Refinery

Additionally, OQ8 has implemented a Wastewater Treatment Plant (WWTP) with primary, secondary, and tertiary treatments, allowing the Refinery to recycle water and safely discharge treated wastewater. The company also follows a Biodiversity Offsetting Strategy, preserving 571 hectares of land to protect local ecosys-

#### **Beyond profits: Creating ripples** of prosperity for people and

ment projects, having contributed over \$5.4 million to initiatives aimed at improving education, healthcare, and environmental stewardship. These efforts align with Oman's broader goals of fostering inclusive growth and improving the guality of life for its citizens. For example, OQ8's investments in infrastructure and social services in the Al Wusta region are directly enhancing the well-being of local communities.

#### Oman maps a bold path towards globals leadership in energy market

OQ8's investments in Dugm are a testament to Oman's strategic vision of becoming a global energy hub. By combining advanced technology, international partnerships, and a commitment to sustainability, OQ8 is not only driving economic growth but is also positioning Oman as a leader in the global energy transition. The company's projects are reshaping the industrial landscape of Dugm, creating new opportunities for local businesses and communities while contributing to the nation's long-term economic resilience.

As the Sultanate of Oman moves forward with its Vision 2040, OQ8 will continue to play a supporting role in its transformation, leveraging its strategic location and innovative capabilities to meet the energy demands of the future. Through these efforts, Oman is well on its way to becoming a key player in the global energy market, demonstrating that sustainability and economic growth can go hand in hand.

# SEZAD and promising opportunities in localising manufacturing industries

The Special Economic Zone at Duqm (SEZAD) represents a promising economic destination for the Sultanate of Oman, thanks to its strategic economic and commercial location on the global trade route. In recent years, it has experienced extensive developmental transformations and enduring infrastructure improvements, aimed at building a more efficient, sustainable, and productive national economic system that can meet the requirements of the new global economy.

Since His Majesty Sultan Haitham bin Tarik assumed the reins of power on January 11, 2020, the SEZAD has witnessed two significant developmental events. The official opening of the Port of Dugm on February 4, 2022, marked it as one of the largest and most strategically important commercial and logistical ports in the Middle East on global trade routes. In the same month, two years later, on February 7, 2024, the Dugm Refinery and Petrochemical Industries Company were inaugurated under the patronage of His Majesty Sultan Haitham bin Tarik, with the presence of Sheikh Mishal Al Ahmad Al Jaber Al Sabah, Emir of the State of Kuwait, who was visiting the Sultanate of Oman at the time.

The inauguration of this refinery, the largest investment project between the Sultanate of Oman and the State of Kuwait, is a major economic event and a global economic showcase, opening doors for foreign investment in the Sultanate of Oman. The port, one of the most significant strategic commercial and logistical ports on global trade routes, along with its unique location and connections to various global ports, represents a major global economic destination in the Middle East. This positions the Sultanate of Oman for substantial economic investments that will positively impact the country's economic diversification priorities through the volume of direct foreign investments.

The opening of the Duqm Refinery highlights the cooperative economic, commercial, and logistical relations between Oman and Kuwait. It provides a strategic entry point and a major impetus for executing a variety of projects and manufacturing industries based on the refinery's products. This contributes to maximizing the benefits from natural resources and adding high value to crude oil. Such large-scale projects are expected to enhance the SEZAD's presence on the global economic and investment map, increase its competitive value, and play a vital role in boosting foreign investments. Additionally, it supports the Sultanate of Oman's efforts to localise manufacturing, petrochemical industries, and logistical activities, advancing the country towards achieving carbon neutrality by 2050. It also aims to make the Sultanate of Oman a competitive regional hub for green hydrogen production, with significant economic returns,

especially given the state's investments in the zone to ensure readiness in terms of infrastructure, services, facilities, roads, airport, dry dock, and utilities like communications, electricity, and water, to ensure appropriate investment conditions and high economic security.

Consequently, the Sultanate of Oman places significant reliance on the SEZAD to achieve comprehensive transformation and build an efficient economic system that can adapt to the rapid changes in the manufacturing sector. The Port of Dugm, dry dock, refinery, and the entire Zone, with its capacity to accommodate global investments and numerous international companies and specialised private entities, are seen as the gateway to the future for enhancing investments, creating job opportunities for Omani youth, and diversifying the economy. This is achieved by leveraging its geopolitical location and Oman's global recognition for its internal and external policies based on humanizing development and resources, promoting values of peace, development, and international cooperation under principles of justice, equality, and fairness.

The economic opportunities and manufacturing industries offered by the SEZAD, represented by the dry dock, port, and refinery, are viewed as major success opportunities for developing an active market for manufacturing industries and their re-production. These elements not only serve as the cornerstone for a sustainable and diversified economy that meets human needs and priorities but also enhance opportunities for economic diversification. They contribute to economic security by fostering an industrial community that relies on its resources and encourages small and medium-sized enterprises (SMEs) to invest in and recycle manufacturing industries, ensuring added value reflected in product quality.

This will create major success opportunities for developing an active market for manufacturing industries and their re-production, maximizing the impact of investment returns in the industrial sector, and providing incentives and advantages that attract Omani youth from general diploma graduates. Additionally, focusing on manufacturing will enhance opportunities to emphasise soft skills required in the job market, particularly in factories, given that over 70 per cent of factory inputs require skilled human resources more than qualifications alone. This aligns with Oman Vision 2040, which aims to strengthen economic diversification and give manufacturing industries a greater role in the national economy's structure. Therefore, there is hope that the SEZAD will experience significant transformations in its expansion and outreach, or in hosting giant industrial complexes and exemplary SMEs that adhere to the highest standards and precise practices in production.



In recognition of this, the Sultanate of Oman has taken significant and balanced steps to realise its goals, focusing on highlighting the economic and investment opportunities in the SEZAD and attracting global investments. In 2023, investments in the SEZAD exceeded RO 3.8 billion, with the total investment volume reaching approximately RO 3.5 billion. This is attributed to the launch of several major projects in the Zone

In 2022, total foreign investments in the Sultanate of Oman amounted to RO 27,134.9 million, with oil and gas accounting for RO 15,320.7 million, followed by financial intermediation at 5,558.9 million and manufacturing industries at 2,373.4 million. While boosting foreign investments is crucial, the focus is also on stimulating economic activity and attracting funds to the Sultanate of Oman through strategic projects in high-value-added sectors, such as clean energy, green hydrogen and ammonia production, refineries, petrochemical industries, commercial, tourism, logistics, light and medium industries, and fisheries, along with green industries and strategic partnerships with various countries. These efforts contribute to economic diversification and present success opportunities that could make a significant difference over time. However, it is important to note that these investments alone are not an end goal; their sustainability depends on market conditions, economic, political, and other transformations.

Thus, the government is prioritizing the manufacturing sector to reduce dependence on oil and increase the contribution of non-oil activities to Gross Domestic Product (GDP). Positive indicators include the rise in value added by industrial activities by 65.6 per cent by the end of Q3 2022, with industrial activities contributing 19.40 per cent to GDP and manufacturing industries accounting for 48.3 per cent of total industrial output. This highlights the importance of enhancing and localising manufacturing industries as a strategic goal, recognising that industry is a cornerstone for a sustainable economy. It is essential for managing human and material resources, maximizing their added value, and contributing to economic growth through improved national efficiency and skills.

Manufacturing can help address challenges related to labor market efficiency, absorb

الدقر October 2024

educational outputs, and reduce unemployment among Omanis in the private sector. This strategic focus aims to ensure the sector's role in driving economic transformation and responding to the needs and priorities of Omani citizens.

Finally, the growth of certain industrial localization models within the SEZAD, such as the Karwa Factory, represents a significant advancement in localising Omani industry and enhancing the value-added of the industrial sector in the Sultanate of Oman. This development supports the expansion of industries related to transportation and its associated services, and it offers opportunities to bring advanced technologies that aid in establishing SMEs in the Zone. Additionally, localising the production of various types of buses will create substantial success opportunities in focusing on heavy and light manufacturing industries, meeting both local and global market demands through regional and international partnerships.

The qualified business environment in the SEZAD, characterised by its organizational, foundational, structural, and infrastructural framework, serves as a model for a bright and promising future for localizing Omani industry. It benefits from a comprehensive and intelligent institutional management, which supports diverse production elements and investment opportunities in these industries. The strong presence of SMEs in shaping its production landscape ensures high levels of balance in economic and commercial activities, addressing the community's needs for manufacturing and specialised activities.

The Zone includes integrated facilities, administrative, technical, industrial, and research development centres, production and experimental laboratories, communication and information systems, modern technologies, informational and security support, enhanced security awareness, emergency response, strategic and survey research centres, and scientific and industrial research laboratories. It is committed to studying market requirements and hosting giant industrial complexes and strategic partnerships worldwide, adhering to best practices and standards in supply chain management and production processes. This approach guarantees sustainability and diversification in investment returns, reinforcing the Zone's role in the future development of Omani industry.

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The qualified business environment of the SEZAD. with its organisational, foundational. structural. and infrastructural framework. is a model for a bright and promising future for localising Omani industry

There is hope that the SEZAD will witness significant transformations in its expansion and outreach, or in hosting giant industrial complexes and exemplary SMEs that adhere to the best standards, mechanisms, and precise practices in production processes



# Muscat - සංකා :

The Ministry of Economy has stated that the manufacturing sector's performance during the first guarter of this year showed the highest growth among the key sectors targeted as pillars for supporting economic diversification in the Tenth Five-Year Plan 2021-2025, based on growth rates achieved and its contribution to Gross Domestic Product (GDP).

The Ministry noted that the sector achieved a real growth rate of 9.2 per cent compared to a decline of 2.2 per cent in the first guarter of 2023. The contribution of the manufacturing sector to GDP increased to 10 per cent at constant prices and 10.5 per cent at current prices.

Dr. Salem bin Abdullah Al Sheikh, spokesman for Ministry of Economy, stated that the manufacturing sector's performance was supported by advancements in economic diversification efforts, programs, and strategies. These initiatives have enhanced the performance of industrial sectors, contributed to ongoing improvements in competitiveness, increased industrial exports, and boosted investments in industrial, free, and private zones. Notably, new strategic industrial projects, including the Duqm Refinery, have also commenced operations.

He added that GDP growth data reflects the benefits of these developments through high growth rates recorded across all manufacturing activities. Specifically, the growth rates for refined petroleum products, basic chemicals, and other manufacturing sectors were 67.6 per cent, 6.4 per cent, and 6.3 per cent, respectively, during the first quarter.

Dr. Al Sheikh attributed the strong 9.2 per cent growth rate in the manufacturing sector to significant invest-

ments in industrial projects. These investments have been channeled into establishing new factories and expanding existing ones, enhancing the sector's production capacities. Improved domestic and international demand for Omani industrial products, driven by increased demand in local markets and exports, also played a role. Additionally, government investments in infrastructure, including roads, electricity, and ports, have further bolstered the sector's capabilities.

Dr. Al Sheikh also attributed the growth to incentives and facilitation measures for investors, such as tax benefits and support, which encouraged increased industrial investments. The adoption of modern technologies and process improvement programs has enhanced productivity and efficiency. Additionally, the stability in Oman's security and economic environment has strengthened the business climate and investor confidence.

# Moody's adjusts outlook on Oman to positive

# Muscat - බියින් :

In its report released today, Moody's has revised Oman's outlook from stable to positive while affirming the credit rating at 'Ba1.' The agency attributed this improvement to the continued decrease in public debt levels and the enhancement of oil revenues. It noted that the Om-

ani government's commitment to a public debt management strategy has reduced external debt risks, strengthened the country's financial position, and achieved positive results and stable levels in foreign reserves.

The agency noted that the measures taken by the Omani government have enhanced its ability to withstand shocks such as fluctuations in energy prices, rising interest rates, and other varia-



bles. Moody's reported that the Sultanate of Oman has managed to reduce public debt to approximately 36.5 per cent of GDP by the end of 2023, with external debt accounting for about 24 per cent, compared to over 50 per cent in 2020. The report also highlighted a decrease in the total public debt ratio to around 34 per cent of GDP by the end of July.

The agency pointed out several financial, economic, and monetary risks surrounding the credit rating, including fluctuations in global oil and gas prices, which are influenced by global economic growth prospects and could impact the Sultanate of Oman's ability to improve its indicators.

On the other hand, the agency confirmed that improvements in the credit rating could result from continued government efforts

in managing financial obligations and reducing public debt levels. Enhancing non-oil revenues, focusing on clean energy revenues, and increasing the government's ability to address financial fluctuations by strengthening the country's financial position, foreign currency reserves, and improving economic and social indicators are key factors contributing to potential rating upgrades.



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شهادات دولية لجودة المنتج 🔃

# Sohar Port and Freezone 20 years of commerce and opportunity



# Sohar -

This year marks the 20th anniversary of SOHAR Port and Freezone, a significant milestone that reflects not only two decades of operation but also a transformative influence on the Sultanate of Oman's economic landscape. As a cornerstone of innovation and growth, Suhar has been instrumental in the nation's pursuit of economic diversification and sustainability. Its contributions have redefined standards in port and free zone management, establishing the Sultanate of Oman as a competitive hub for international trade and logistics on the global stage.

#### Strategic gateway to global markets

Located right outside the bustling Strait of Hormuz, Suhar serves as a vital gateway to dynamic global markets, free from maritime congestion and geopolitical complexities. This strategic positioning capitalises on the Sultanate of Oman's geographical advantage as a conduit between East and West, facilitating seamless integration into global supply chains.

Connectivity is a cornerstone of Suhar, as its port serves as a valuable nexus for global destinations, complemented by air links through Suhar and Muscat International

The strategic partnership between Asyad Group and the Port of Rotterdam has strengthened the position of Sohar Port and Freezone as a global entity distinguished by its operational methods and innovative model

Sohar Port stands out for its lack of maritime congestion and geopolitical complexities, benefiting from its location on the Gulf of Oman and its geographical advantage

Airports. Additionally, the strategic road link to Saudi Arabia and the transformative Hafeet Rail project, a \$3 billion collaboration integrating Suhar with the UAE's rail network, enhance the logistical efficiency and global competitiveness of the port and free zone.

#### Driving economic growth and investment

Over the past two decades, Suhar has attracted an impressive USD 29 billion in investments, underscoring its status as a premier destination for global commerce. In just the first half of 2024, the port and free zone secured USD 3.4 billion in new investments. This influx of capital not only reflects strong investor confidence



but also contributes significantly to the national economy, with Suhar accounting for over 2.1 per cent of the Sultanate of Oman's GDP.

The allure of Suhar lies in its array of strategic advantages and incentives designed to attract businesses eager to tap into burgeoning markets. Companies benefit from the Sultanate of Oman's Free Trade Agreements with the United States and Singapore, which offer preferential treatment and streamline the transit of goods. The Freezone allows 100 per cent foreign ownership, extended corporate tax holidays, and exemptions from import and re-export duties, creating a financially favorable environment for business growth.

Moreover, Suhar has been a catalyst for job creation, generating nearly 36,000 direct and indirect employment opportunities. These jobs have a ripple effect, supporting local communities and fostering economic growth throughout the region.

#### Pioneering development through strategic partnerships

Suhar's success story is built on strategic collaborations and a forward-thinking approach to development. The partnership between Asyad Group and the Port of Rotterdam, for instance, established Suhar as a world-class facility known for operational excellence and innovative practices. Such alliances have been crucial in sharing global best practices and maintaining the advancement in technology and sustainability.

A landmark initiative is the partnership with United Solar Polysilicon to establish the first polysilicon factory of such a scale in the Middle East. This project not only diversifies the industrial base but also positions the Sultanate of Oman as a leader in advanced manufacturing and green technologies.

The Marsa LNG project, a USD

**Empowering communities** through engagement

Sohar Port and Freezone is an inspiring success story in achieving economic diversification and sustainability

The establishment of the region's first LNG refueling center, which is fully powered by solar energy, aligns with the ambitious goals of Oman Vision 2040

1.6 billion collaboration between OQ Group and TotalEnergies, aims to establish the region's first LNG bunkering hub powered entirely by solar energy. This ambitious project aligns with Oman Vision 2040 and carbon neutrality goals, reinforcing Suhar's role in promoting sustainable development through technological innovation.

Furthermore, establishing the SOHAR Net Zero Alliance (SNZA) demonstrates the port's dedication to innovative technologies and environmental stewardship. By reducing emissions and promoting renewable energy projects-including the integration of solar power, circular economic practices, and clean hydrogen—Suhar leads the way in sustainable port operations.

At the heart of Suhar's mission is a strong commitment to community engagement and workforce development. Recognising that the port's success is intertwined with the prosperity of the surrounding communities, Suhar has invested in programs that empower individuals and nurture the next generation of talent.

The "Maseer" program is a shining example of this commitment. Offering hands-on workshops and real-world applications, the program equips students with essential skills for thriving in an increasingly digital and competitive job market. In its 2024 edition, over 400 students from Liwa and Suhar participated, gaining invaluable experience and insights into potential career paths.

# Charting a visitionary path forward

Looking ahead, Suhar is set to continue its trajectory of growth and innovation. The initiation of SOHAR Freezone Phase 2, with 345 hectares of additional leasable land-50 per cent of which is pre-committed-signifies not just expansion but a visionary outlook for the Sultanate of Oman's logistics and industrial domains.

In alignment with the Sultanate of Oman's national priorities, Suhar will focus on continued investment in state-of-the-art infrastructure, sustainability initiatives, and competitive offers to attract global businesses.

#### Celebrating two decades of excellence

Reflecting on two decades of remarkable achievements at SOHAR Port and Freezone reveals that it has been more than just a facilitator of goods and services; it has been a catalyst for the Sultanate of Oman's economic transformation and a beacon of sustainable innovation. Its unwavering commitment to excellence, robust partnerships, and dedication to environmental stewardship have set new benchmarks in port operations worldwide.

As we celebrate Suhar's 20th anniversary, we acknowledge a legacy of success and look forward to the new heights that this vital institution will undoubtedly reach in the years ahead.



# **Applying international health and safety standards** boosts competitiveness of Omani products globally

Exclusive for -

During the first half of 2024, the Public Establishment for Industrial Estates (Madayn) conducted 3,882 regular inspection visits to all industrial facilities to ensure compliance with occupational health and safety standards. This represents a 30.6 per cent increase compared to the same period in 2023, which recorded 2,972 visits. These efforts reflect Madayn's commitment to enhancing industrial development in the Sultanate of Oman. The Authority's initiatives not only provide the necessary infrastructure for industrial facilities but also embrace innovative measures to create a safe and sustainable work environment, contributing to investment attraction and sustainable economic growth. Madayn's efforts focus on improving occupational health and safety standards in the industrial cities it oversees, in line with international standards.

Engineer Bassem Berbakhsh Al Zadiali, Director of the Inspection, Supervision and Occupational Safety Department at Madayn, revealed a study on the classification of accidents that occurred in industrial cities. According to the study, fires accounted for 43 per cent of the accidents, while collisions within facilities constituted 16 per cent. Gas cylinder explosions represented 12 per cent, followed by falls from heights at 10 per cent, chemical exposure incidents at 9 per cent, and electrical

contact accidents at 7 per cent. Gas leaks made up 3 per cent of the accidents.

In this context, Al Zadjali emphasised in an exclusive interview with Dugm Economic Magazine the necessity of strict adherence to occupational health and safety standards in industrial city companies and factories. He noted that these standards are essential in any work environment, especially in the industrial sector, which faces numerous potential hazards. He stated, "Applying occupational health and safety standards aims to protect workers from injuries and occupational diseases that may result from harmful working conditions or accidents."

He explained that enhancing occupational health and safety standards contributes to creating a safe and healthy work environment, which leads to increased productivity and improved product quality. Preliminary statistics in the Sultanate indicate that occupational injuries and diseases impose a burden on the healthcare and social systems due to the costs of treatment, rehabilitation, compensation, and reduced work hours lost due to illness or injury. He emphasised that compliance with these standards reflects companies' commitment to their responsibilities towards their employees and society, which helps improve their reputation and attract both local and foreign investments. Moreover, adopting international occupational health and safety standards enhances the competitiveness of Omani products in global markets and improves the image of companies and factories that adhere to these standards.

#### Initiatives and programmes

Regarding the efforts made by Madayn to enhance the health and





Eng. Bassem Al Zadjali: Implementing a range of initiatives and programmes aimed at creating a safe and sustainable work environment

safety system in industrial cities, the Director of the Inspection, Supervision and Occupational Safety Department stated that Madayn places great importance on improving the health and safety system in industrial cities through the implementation of various initiatives and programmes aimed at creating a safe and sustainable work environment. These efforts include:

- Regular Inspections: Inspectors conduct regular inspection visits to industrial facilities across all industrial cities to ensure compliance with health and safety standards. During these visits, potential risks are assessed, and corrective actions are taken to mitigate them.

- Training and Awareness: Madayn provides training and awareness programmee for workers, business owners, and investors on the importance of health and safety and how to implement it effectively. These programmes aim to raise awareness among all relevant parties and encourage the adoption of safety practices in the workplace.

- Legislation Development: Madayn, in collaboration with relevant authorities, works on developing health and safety regulations and laws. This includes updating regulations and standards to align with international best practices, which contributes to improving safety levels in industrial facilities.

- Partner Collaboration: Madayn collaborates with various government and private entities and international organizations to promote a culture of health and safety. These partnerships involve sharing expertise, knowledge, and best practices in occupational health and safety.

- Encouraging International Stand-



ards: Madayn encourages industrial facilities to adopt international standards such as ISO 45001 for occupational health and safety management, ISO 14001 for environmental management, and ISO 22000 for food safety management. These standards help build consumer trust and enhance the reputation of local products in global markets.

safety performance

indicators include:

- Occupational Disease Rate: This indicator focuses on diseases workers contract due to exposure to harmful working conditions, such as respiratory and skin diseases, and issues related to noise and vibrations.

physical hazards.



# Indicators for measuring health and

Regarding the indicators used to measure health and safety levels in industrial cities in the Sultanate of Oman, Al Zadjali mentioned that Madayn employs a set of key indicators to assess health and safety performance in industrial cities. These

- Injury and Accident Rate: This indicator measures the number, type, and severity of injuries and accidents occurring in industrial workplaces, particularly those involving hazardous materials and heavy machinery. It is essential for evaluating the effectiveness of safety measures.

- Compliance Rate with Regulatory Standards: This indicator measures the extent to which industrial facilities adhere to health and safety regulations and environmental laws.

- Work Environment Quality: This includes factors such as lighting, ventilation, temperature, noise levels, and the presence of chemical and

- Health and Safety Awareness Level: This indicator assesses the

awareness of workers and management regarding the importance of health and safety policies and their participation in awareness and training programmes.

- Fire Safety and Emergency Response Efficiency: This key indicator evaluates the facility's adherence to occupational health and safety standards, focusing on maintaining the health and safety of workers and visitors. It represents the first line of defense against fires and other emergencies, directly contributing to risk reduction and protection of lives and property.

Additionally, various field surveys have demonstrated the importance of the following indicators in factories:

- Hazard Identification: Helps identify areas needing improvement.

- Performance Evaluation: Assists in comparing current performance with past performance or with other factories.

- Improvement Planning: Aids in developing action plans to enhance health and safety levels.

- Legal Compliance: Ensures adherence to regulatory standards and reduces the likelihood of accidents.

- Factory Performance Enhancement: Contributes to building a positive image of the factory as a health and safety-conscious entity.

Al Zadjali added that non-compliance with health and safety standards can pose a significant threat to worker health and safety and result in severe consequences.

# Inspection and field visits

He continued discussing Madayn's efforts in inspecting industrial facilities and the number of field visits, explaining that the Public Establishment for Industrial Estates (Madayn) places significant emphasis on the health and safety of workers in industrial cities and plays a vital role in providing a safe and healthy work environment. In this context, Madayn carries out a range of activities and efforts, which can be summarised as follows:

- Regular Inspection Visits: Conducting regular inspection visits to all industrial facilities to ensure compliance with occupational health and safety standards. The total number of field visits in the first half of 2024 was 3,882, representing a 30.6 per cent increase from the 2,972 visits during the same period in 2023.

- Compliance Verification: Ensuring that industrial facilities comply with all relevant health and safety regulations and laws, as well as other applicable controls established by the relevant authorities in the Sultanate.

- Risk Assessment: Evaluating potential risks in each facility and taking necessary measures to mitigate them.

- Monitoring Corrective Actions: A key aspect involves monitoring the corrective actions taken by facilities to address violations.

- Collaboration with Government Entities: This includes exchanging information and expertise, and identifying areas for improvement and development in matters related to public health and safety.

# Handling workplace accidents and occupational injuries

Al Zadjali also discussed the procedures for handling workplace accidents and occupational injuries in industrial cities. He stated that Madayn follows precise and systematic procedures to manage these incidents, ensuring a safe work environment and protecting the health and safety of workers. These procedures include:

- Immediate Reporting: Investors must report occupational accidents, particularly fires, immediately by contacting Madayn's call centre at 24170700 or the police operations centre at 9999.

- First Aid: Immediate first aid should be provided at the accident site if necessary, while keeping the injured person calm and providing psychological support. In cases of severe injuries, the injured person should be transported to the hospital immediately.

- Securing the Accident Scene: No changes or movements should be



Madayn adopts precise

and systematic procedures for managing workplace accidents and occupational injuries to ensure a safe work environment and protect the health and safety of workers

made at the accident scene until the relevant authorities arrive. Warning signs should be placed around the area to prevent further accidents.

- Investigation: Madayn inspectors undergo specialised training in risk and accident assessment. A thorough investigation is conducted to determine the causes and contributing factors of the accident. The investigation includes recording all details related to the accident, such as the time and date, a detailed description of what happened, and the names of witnesses.

- **Corrective Actions:** Based on the investigation results, necessary actions are taken, including legal measures according to Madayn's regulations or preventive measures to prevent future occurrences. Recommendations are provided, and action plans are developed to improve safety aspects.

#### Challenges facing companies

Regarding the challenges companies face in complying with health and safety standards, Al Zadjali explained:

"Companies and industrial establishments encounter numerous challenges in ensuring full compliance with health and safety standards, including:

- High Costs: Implementing health and safety standards requires signif-

icant financial investments, such as updating infrastructure, providing equipment, and training. These costs can be burdensome for small and medium-sized companies.

- **Regulations and Laws:** Continuous improvements and updates to standards require companies to keep up with changes and ensure compliance with all requirements.

- Lack of Awareness: There may be a lack of awareness about the importance of health and safety among some employees and managers, which affects their adherence to preventive measures.

- Resistance to Change: Some companies face resistance from employees to adopt new procedures, especially if they require changing established habits and behaviors.

- Pressure on Productivity: A focus on increasing productivity can sometimes conflict with adherence to health and safety procedures, leading some companies to overlook certain standards."

Regarding violations and penalties, Al Zadjali clarified the penalties imposed on establishments that do not comply with health and safety standards:

"According to Decision No. (219/2017) concerning the regulations on violations and penalties, strict penalties are imposed on establishments failing to adhere to health and safety standards, including:

- Warnings: Warnings are issued to non-compliant establishments to rectify violations within a specified timeframe.

- Fines: Financial penalties of varying amounts are imposed based on the type and severity of the violation.



- Suspension of Activities: In serious cases, some activities may be suspended or the establishment may be temporarily closed until the situation is corrected.

- Revocation of Licenses: In cases of repeated or extremely serious violations, the establishment's license may be revoked."

He also discussed new initiatives aimed at improving health and safety indicators in industrial cities. Madayn has launched several initiatives to enhance health and safety metrics, including:

- Safety Management Team: Integrated teams have been formed to train employees in emergency response, evacuation, firefighting, and first aid.

- Inspector's Kit: This kit includes tools for inspecting product quality and safety, enabling inspectors to make prompt field decisions.

- Smart Inspection: Intelligent inspection systems have been introduced to expedite inspection processes, document reports, monitor establishments according to a timeline, and swiftly complete inspections and approvals related to licensing.

- Food and Water Sampling Programme: Inspectors at Madayn have been trained in sampling methods and post-analysis procedures. This programme serves as an indicator for measuring the quality and safety of food production from bacteriological and chemical perspectives in the industrial facilities overseen by Madayn.

- Safety Initiative: Currently, in collaboration with relevant authorities, a proposal is being developed for the launch of the "Safety Initiative" to connect companies with a fire detection system in its early stages. This system aims to provide comprehensive protection for industrial and commercial facilities, allowing for early detection of fires and prompt action to minimise damage.

- Safety and Security Controls in Insurance Documents: This aims to enhance the fire prevention system and provide specific insurance coverage for the industrial sector. These improvement measures are part of initiatives that will help address the challenges faced by companies struggling to obtain insurance.

Regarding educating workers and companies about health and safety guidelines, Madayn offers regular training programmes, including:

Dugm 2024

Ignition sources: Many potential ignition sources are present in factories, including faulty electrical devices, sparks from friction, cigarettes, and welding activities.
Industrial processes: Many industrial processes generate high



A 30.6% increase in inspection visits to industrial city facilities during the first half of 2024, reaching 3,882 visits

- Interactive workshops and theoretical lectures: Aimed at clarifying basic concepts of health and safety, potential hazards, and prevention

- Practical training and simulation scenarios: Workers are trained in using personal protective equipment and handling emergency situations through realistic simulations.

- Additional educational tools: Includes informational signs, newsletters, brochures, educational videos, and the use of mobile applications to enhance awareness.

# Causes of fire accidents

# in industrial facilities

methods.

Al Zadjali believes that the recurrence of fire accidents in factories poses a significant threat to lives, property, and productivity. These incidents are not isolated but are a recurring phenomenon across various industries worldwide. Inspections and risk assessments of industrial facilities have identified several causes: - **Presence of flammable materials**: Factories often contain large quantities of flammable materials such as fuel, oils, gases, wood, and paper. heat or use flammable chemicals, increasing the risk of fires.

- Non-compliance with safety standards: Failure to adhere to safety standards in design, construction, and maintenance, as well as inadequate fire-fighting equipment, can lead to fires.

- Human errors: Human errors, such as negligence, lack of attention, and insufficient training, can be major causes of fires.

- **Smoking in prohibited areas:** Disposing of lit cigarettes in unauthorised places.

- Improper storage of flammable materials: Unsafe storage of flammable materials.

Al Zadjali emphasised that fire prevention is a shared responsibility among management, employees, and government agencies through the implementation and adherence to procedures and requirements. This significantly contributes to reducing fire risks and protecting lives and property. He also noted that fires in industrial cities represent a major threat, and intensive efforts are made to mitigate and minimise their impact.

#### Support and motivation

Al Zadjali explained that occupational health and safety play a crucial role in supporting and stimulating sustainable industrial growth in the Sultanate of Oman. Through its diverse initiatives and training programmes, Madayn aims to ensure a safe and attractive working environment for both local and international investors, achieving full compliance with international health and safety standards.

# Salalah Free Zone and companies operating within it are implementing social projects in Dhofar Governorate

# Exclusive to -

The Salalah Free Zone (SFZ) witnessed the implementation of a series of social investment projects from January to June 2024, with more than RO 37,000 spent on local value addition, distributed across 46 projects. These projects aim to enhance local economic development, support initiatives that contribute to job creation, develop infrastructure, and increase the contribution of small and medium enterprises (SMEs) to the national economy. This expenditure is part of the Zone's commitment to supporting the local economy, improving guality of life, and promoting sustainable development in Dhofar Governorate.

In a statement to Duqm Economist Magazine, SFZ confirmed that over the past years, numerous projects have been implemented by both the Zone and the companies operating within it, covering various fields including education, culture, health, and the environment. Some of these projects include:

#### Establishment of a cultural centre in the Wilayat of Dhalkut:

This project, which began on February 2, 2021, and will continue until March 30, 2024, aims to promote arts and culture for the residents of Dhalkut, in collaboration with the Office of the Governor of Dhofar and OQ Company. The allocated budget for this project is RO 237,891.

Establishment of the chemical engineering lab at the University of Technology and Applied Sciences in Salalah:

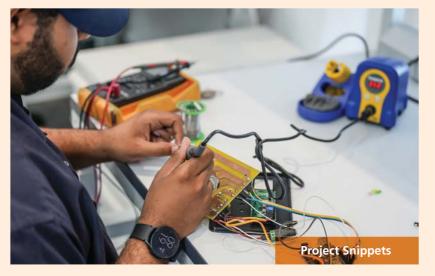
This project, which started on December 25, 2021, and will continue until May 30, 2024, aims to support chemical engineering students at the University of Technology and Applied Sciences in Salalah. The project is funded by OQ Company with a budget of RO 80,000.

#### Madhabi Razat project:

A pioneering project aimed at supporting entrepreneurs in Dhofar Governorate. It began on January 1, 2022, and will continue until February 28, 2025, with a budget of RO 400,000. The project is being implemented in collaboration with Dhofar Municipality and OQ Company.

#### OQ innovation lab at the Salalah Vocational College:

This project aims to enhance education and innovation for college students. It began on December 21, 2021, and will continue until March 14, 2024, with a budget of RO 200,000.



#### **Development of Cave** Hiyour in Jabal Samhan:

A tourism project that started on January 1, 2022, and will continue until June 30, 2025. The project aims to develop Cave Hiyour in Jabal Samhan, in collaboration with the Ministry of Heritage and Tourism (MHT) and OQ Company, with a budget of RO 192,100.

#### Support and sponsorship of the National Science Week in Dhofar Governorate:

This project aims to support 5,410 students in the fields of education and innovation. It will be organised from March 3 to 7, 2024, in collaboration with the General Directorate of Education in Dhofar Governorate, with a budget of RO 5,600.

# Supply of medical equipment:

A health project in collaboration with Sultan Qaboos Hospital in Salalah, funded by Octal Company with a budget of RO 15,000.

#### Scholarships at Dhofar University:

Octal Company is providing scholarships for students at Dhofar University with a budget of RO 15,960, in collaboration with the Ministry of Social Development.

### Sign language training program for parents of the hearing-impaired in **Dhofar Governorate:**

This social project aims to train 41 parents of the hearing-impaired, in collaboration with the Ministry of Social Development and Octal Company, with a budget of RO 2,500.

# Upgrading the disability

students' unit at Dhofar University: This project aims to improve the learn-

ing environment and support provided to students with disabilities at Dhofar University. With a budget of RO 5,000, the project is being implemented in collaboration with Dhofar University and Octal Company. It seeks to enhance access to educational resources and provide necessary facilities to ensure an inclusive and supportive educational experience, thereby promoting the integration of these students into the academic community and supporting their chances of academic success.

#### Sponsorship of training programs for MoH employees:

Philex Pharmaceuticals sponsored training programs for the Ministry of Health (MoH) employees to participate in important workshops in the pharmaceutical industries field. The program aims to qualify and train Ministry employees in vital areas related to pharmaceutical manufacturing to ensure they keep pace with modern developments in this field.

#### Participation in reviewing the bachelor's program at the College of Pharmacy:

Philex Pharmaceuticals actively participated in reviewing the bachelor's program at the College of Pharmacy at the University of Technology in Muscat. This was part of efforts to enhance education and innovation and to develop academic competencies in the pharmacy sector, contributing to the graduation of a generation of specialised pharmacists.

# Support for the Planetary School:

Octal Company provided support to Planetary School by funding the construction of a school shade for the students, as part of its efforts to enhance the educational environment and provide facilities that help improve the



#### learning experience for students.

### Support for the Autism Centre in Salalah:

Octal Company supported the Al-Amal Autism Centre in Salalah by providing new educational tools aimed at improving the learning level of children with disabilities and autism. This support contributes to providing a better educational environment for children and enhancing the centre's capabilities.

#### Support for the Oman Cancer Association:

Octal Company provided support to the Oman Cancer Association by supplying a mobile unit for cancer screening in Dhofar. This initiative aims to raise health awareness and provide medical care to the local community.

Additionally, several initiatives were carried out this year, including:

- Beach clean-ups.
- Organising an exhibition for • SMEs to showcase their products and highlight them, inviting investors and creating business opportunities for SMEs.
- Distributing gifts from some companies operating in the zone to sick children at Sultan Qaboos Hospital.
- Blood donation campaigns.
- Offering workshops and seminars for students and SMEs.

#### Initiatives and strengthening relations

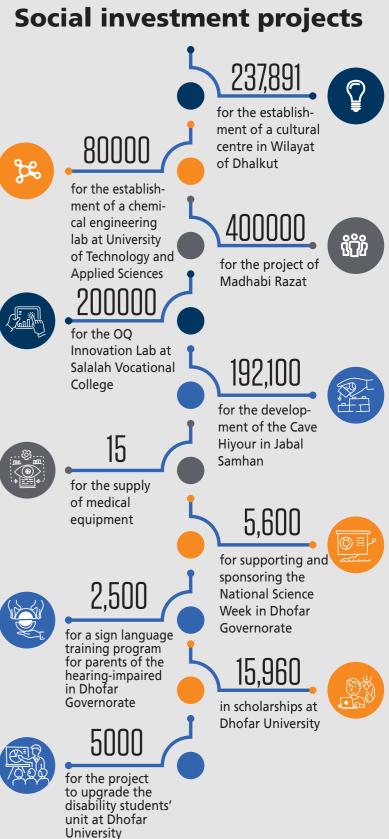
SFZ and the companies operating within it work to strengthen relations with the local community through a series of initiatives and strategic partnerships that contribute to development in various fields. Among the most notable efforts are:

#### Establishing strategic partnerships:

SFZ and its companies collaborate with government institutions, working in coordination with government entities in Dhofar Governorate to identify community needs and direct efforts toward sustainable development. These partnerships include working with the Ministry of Social Development and the Ministry of Education to implement projects that benefit the local community. SFZ also cooperates with local non-governmental organisations, contributing to the provision of educational, health, and cultural services that enhance the quality of life for residents.

#### Educational and health projects:

SFZ has contributed to educational projects by supporting the establishment of educational labs, such as the chemical engineering lab at the University of Technology and Applied Sciences in Salalah, which provides an outstanding learning environment for students. In the health sector, projects such as the provision of medical equipment and support for healthcare centres help strengthen the local healthcare system and meet community needs.







# Supporting local culture:

SFZ companies promote local culture by establishing cultural centres, such as the cultural centre in Dhalkut, which aims to enhance arts and culture. These projects raise cultural awareness and preserve local identity, supporting community sustainability and strengthening residents' connection to their heritage.

Making up 21.3% of Omani workforce

# Omani women employees total

B554 in companies operaumy m economic zones, free zones and industrial cities

Muscat - 🖧 :

The number of Omani women employed in companies operating in economic zones, free zones and industrial cities overseen by the Public Authority for Special Economic Zones and Free Zones (OPAZ) stands at 3,554, representing 5.32 per cent of the total workforce in these areas and 21.3 per cent of all Omani employees.

According to statistics prepared by Dugm Economist Magazine, Omani women make up 12.82 per cent of the total workforce and 2.56 per cent of all employees in the Special Economic Zone at Dugm (SEZAD), with 198 women employed. In the Sohar Free Zone, 92 Omani women are employed, representing 27.71 per cent of the Omani workforce and 2.73 per cent of the total workforce in the zone. In the Salalah Free Zone, there

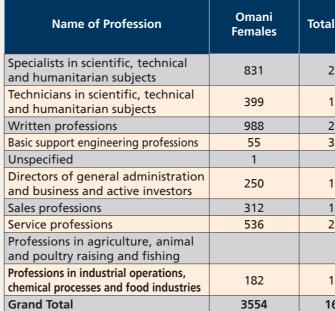


are 94 Omani women, constituting 24 per cent of the Omani workforce in the zone. Meanwhile, in Knowledge Oasis Muscat, 760 Omani women are employed, making up 33.2 per cent of the Omani workforce and 21.6 per cent of the total workforce there.

The Rusayl Industrial City has the highest number of Omani women workers, with approximately 1,322 employed, representing

# Statistics of National and Non-national Workforce in Madayn as of June 2024

Name of (Industrial City, Eco- nomic Zone, Free Zone)	National Workforce			Non-national Workforce			Combined Total		Omani- sation			
	Male	Female	Total	Male	Male	Total	Male	Male	Total			
Khazaen	56	25	81	208	13	221	264	38	302	26.82%	30.86%	8.28%
Buraimi Industrial City (Madayn)	69	37	106	1699	2	1701	1768	39	1807	5.87%	34.91%	2.05%
Rusayl Industrial City (Madayn)	4834	1322	6156	12050	217	12267	16884	1539	18423	33.41%	21.47%	7.18%
Al Wadi Al Kabir Industrial City (Madayn)	665	213	878	9136	72	9208	9801	285	10086	8.71%	24.26%	2.11%
Thumrait Industrial City (Madayn)	0	0	0	8	0	8	8	0	8	0.00%	0.00%	0.00%
Raysut Industrial City (Madayn)	268	99	367	2259	44	2303	2527	143	2670	13.75%	26.98%	3.71%
Samail Industrial City (Madayn)	359	50	409	1659	16	1675	2018	66	2084	19.63%	12.22%	2.40%
Shinas Industrial City (Madayn)	0	0	0	6	0	6	6	0	6	0.00%	0.00%	0.00%
Sohar Industrial City (Madayn)	2536	407	2943	6935	43	6978	9471	450	9921	29.66%	13.83%	4.10%
Sur Industrial City (Madayn)	250	88	338	1266	54	1320	1516	142	1658	20.39%	26.04%	5.31%
Ibri Industrial City (Madayn)	2	1	3	21	0	21	23	1	24	12.50%	33.33%	4.17%
Mahas Industrial City (Madayn)	1	0	1	30	0	30	31	0	31	3.23%	0.00%	0.00%
Nizwa Industrial City (Madayn)	485	99	584	1512	23	1535	1997	122	2119	27.56%	16.95%	4.67%
Knowledge Oasis Muscat	1531	760	2291	1133	89	1222	2664	849	3513	65.21%	33.17%	21.63%
Special Economic Zone at Duqm	1346	198	1544	6094	89	6183	7440	287	7727	19.98%	12.82%	2.56%
Al Mazunah Free Zone	10	2	12	338	2	340	348	4	352	3.41%	16.67%	0.57%
Sohar Free Zone	240	92	332	2912	129	3041	3152	221	3373	9.84%	27.71%	2.73%
Salalah Free Zone	510	161	671	1788	180	1968	2298	341	2639	25.43%	23.99%	6.10%
Total Workforce	13162	3554	16716	49054	973	50027	62216	4527	66743	25.05%	21.26%	5.32%



21.47 per cent of the Omani workforce and 7.18 per cent of the total workforce in the city. The Sohar Industrial City follows with 407 Omani women workers, while the Nizwa Industrial City has 99 and the Sur Industrial City has 88. In the Raysut Industrial City, there are 99 Omani women workers, 50in the Samail Industrial City, 213 in the Wadi Kabir Industrial City, and 37 in the Buraimi Industrial City. Additionally, Al Mazyunah Free Zone has about 2 Omani women workers.

According to the statistics, most Omani women in the economic zones, free zones, and industrial cities overseen by the Authority work as "specialists in scientific, technical, and humanitarian subjects," totaling 831 employees. This represents 38.5 per cent of the Omani workforce in this field and 15.3 per cent of the total workforce in these areas. In the category of "technicians in scientific, technical, and humanitarian subjects," there are 399women, making up 20.5 per cent of the Omani workforce in this sector. For "clerical occupations," there are 988 Omani women, constituting 32.9 per cent of the Omani workforce in this field. In "sales occupations," the number is 312, while in "services occupations," there are 536 women. Lastly, there are 1823 Omani women working in "industrial, chemical, and food processing occupations."

The statistics reveal that there are 250 Omani women working in supervisory roles, including positions such as general managers, business managers, and investor relations,







l Omani	Total Workforce	Omani Female Employees Percentage from Total Omani Workforce	Omani Female Percentage of Employees from Total Workforce		
2156	5435	38.54%	15.29%		
1946	3664	20.50%	10.89%		
2998	3669	32.96%	26.93%		
3835	25964	1.43%	0.21%		
8	9	12.50%	11.11%		
1007	2902	24.83%	8.61%		
1029	2404	30.32%	12.98%		
2702	11611	19.84%	4.62%		
1	83	0.00%	0.00%		
1034	11002	17.60%	1.65%		
6716	66743	21.26%	5.32%		





women hold supervisory positions, including roles as general managers and investor managers

accounting for 24.8per cent of the Omani workforce in these areas and 8.61 per cent of the total workforce. Additionally, there are 55 Omani women employed in 'essential engineering support professions."

Omani women working in economic zones, free zones, and industrial cities have demonstrated their competence and effectiveness across various fields. They have made significant contributions to economic development and the Oman Vision 2040, showcasing their ability to innovate, manage, and achieve success in both leadership and specialised roles. Their presence in these sectors reflects a strengthened role in the labor market and highlights efforts to create an environment that supports their empowerment and active participation in shaping the country's economic and social future.

# **New Projects**

# At over RO 47 million and with a storage capacity of 110,000 cubic metres **OQ** lays the foundation stone for the strategic fuel storage project in Salalah Free Zone

Salalah - 🖧 :

OQ celebrated the groundbreaking of the strategic fuel storage project in the Salalah Free Zone, with a cost exceeding RO 47 million. This project aims to enhance local demand fulfillment and ensure the continuity of oil supplies in Dhofar Governorate by providing a storage capacity of up to 110,000 cubic metres for automotive fuel, diesel, and jet fuel. This initiative is part of OQ's efforts to support sustainable economic development and meet the growing demand for petroleum products due to population growth and increased commercial and investment activities.

H.H. Sayyid Marwan bin Turki bin Mahmoud Al Said, Governor of Dhofar, who presided over the ceremony. praised the project, stating that it represents the culmination of efforts by various entities in Oman, particularly the Ministry of Energy and Minerals (MEM) and OQ, aimed at enhancing infrastructure for energy sustainability in Dhofar Governorate and Oman as a whole. It ensures that the growing demand for petroleum products is met, and we are confident that this investment will significantly contribute to supporting sustainable economic development in the governorate and secure various needs, including in emergency situations.

Meanwhile, H.E. Salim bin Nasser Al Aufi, Minister of Energy and Minerals, affirmed that the groundbreaking of the strategic fuel storage project in Dhofar is intended to enhance the strategic fuel storage system in Oman and to meet consumer needs, including securing availability during emergencies. He emphasized, "This step is crucial in



ensuring our requirements for petroleum products."

His Excellency also mentioned that plans are underway to lay the foundation for another strategic fuel storage project in Musandam Governorate soon, with a capacity of 14,536 cubic metres. This will increase the country's total storage capacity for petroleum products to over 350,000 cubic metres. The storage capacities include: 160,000 cubic metres at the Al Jafnayn station in Muscat Governorate, 19.7 thousand cubic metres at the Sohar station in Al Batinah North Governorate, and 37,000 cubic metres at the Raysut station. He added that the MEM, in collaboration with OQ, is working to ensure adequate supply and storage of petroleum products to meet local demand, in response to increased investment and economic activities.

In his speech at the ceremony, Ashraf Hamed Al Mamari, Group Chief Executive Officer of OQ, stated that the strategic fuel storage project, with a capacity of 110,000 cubic meters, adds another cornerstone to OQ's investments in Dhofar Governorate, which include Liquefied Petroleum Gas (LPG),

ammonia, and methanol plants, as well as gas pipelines. He explained that the strategic fuel storage project in Dhofar was initiated by the Government of Oman, represented by the MEM, which is dedicated to ensuring the supply of petroleum products across all governorates in the Sultanate of Oman.

Al Mamari noted that OQ is committed to supplying petroleum products to Oman, with a total refining capacity of 530,000 barrels per day: including 230,000 barrels from the Dugm refinery, 106,000 barrels from the Muscat refinery, and 198,000 barrels from the Sohar refinery.

He added that all aspects related to the project's initiation have been completed, including engineering contracts and the allocation of land in the Salalah Free Zone. The strategic fuel storage project consists of three main components: the fuel storage facility in the free zone, a pipeline connecting the Port of Salalah pumping station to the storage tanks in the free zone, and the expansion of the existing pumps at Port of Salalah. Additionally, the new Salalah station will be connected to the existing Raysut station.



# The project is the third in the China-Oman Industrial City in Dugm for light and medium industries

Duqm - רְבָהָא : start their businesses in the region and expand their activities globally, thanks to its strategic geographic location overlook-The investment cost for the Duqm Materials Market project ing global trade routes. This facilitates the import and export is approximately RO 7.5 million. The market, which opened of products to and from the Sultanate of Oman." He added in August of this year in the Special Economic Zone at Dugm that Dugm Materials Market aims to attract Chinese compa-(SEZAD), is the third project in the China-Oman Industrial City nies to establish light and medium manufacturing plants and utilize the facilities available at the market for warehousing in Dugm for light and medium industries. The project covers an area of 32,000 square meters and is a partnership between and direct sales of their products. The company seeks to enthe Chinese company Wanfang, Al Thabat Holding Company hance the import and export sector and attract both global (Oman), and Dugm Development Company. and local companies to benefit from the project's capabilities.

The activities of the Dugm Materials Market include selling Mahmoud bin Salem al Jardani, Business Development Manall types of building materials, electrical appliances, and acager at Duqm Development Company, stated that the market cessories, as well as showcasing Chinese cars. It is equipped is one of the largest retail projects in the Special Economic with several manufacturing workshops, allowing companies Zone at Dugm. It will help attract both local and international to produce their products within the market. companies to take advantage of the market's capabilities and Su Wei, Chairman of the Dugm Materials Market Company and under the direct supervision of Dugm Development Company. He added that the market provides all the services that assist entrepreneurs in starting their investment activities. Additionally, the project's location, approximately 10 kilometers from Port of Dugm, will facilitate the import of materials into the market and ease export to various countries around the world.

facilities, which have been designed to the highest standards and representative of Wan Fang Company in the Sultanate of Oman, stated, "The Dugm Materials Market project will open new avenues for cooperation between businessmen in China and the Sultanate of Oman. It will strengthen the existing partnership between the two friendly countries and increase the presence of Chinese products in Oman." He expressed hope that the market will lead to a broader partnership not limited to retail but also extending to manufacturing and ex-The Dugm Materials Market consists of a main showroom porting to global markets, given Duqm's potential to boost covering 16,000 square meters, a secondary showroom spanglobal trade through the Port of Dugm and the region's straning 2,500 square meters, as well as four warehouses, each tegic location on major international shipping routes. with an area of 1,200 square meters, and six workshops with He noted that Chinese businessmen are always looking to a total area of 6,700 square meters.

enter new markets. The project's opening was attended by 30 representatives from Chinese companies aiming to learn about the project and the Special Economic Zone at Dugm (SEZAD) in general, as well as to showcase a wide range of Chinese products.

Ali bin Mohammed Al Lawati, Operations Manager at Dugm a security system with surveillance cameras. The market was Materials Market Company stated, "The market provides exconstructed following the Omani-British building standards cellent opportunities for local and international companies to and using top-quality materials.







The market includes various facilities that cater to the needs of both traders and consumers, such as paved roads leading to and from the project, parking spaces, multiple entrances and exits to ensure smooth traffic flow, as well as elevators, escalators, air conditioning systems, fire-fighting systems, and

# **Global Report**

# China targets free zones to contribute 40% to its foreign trade by 2030

# Beijing - සංදූ :

China is striving to ensure that its network of free zones contributes approximately 40 per cent of total foreign trade by 2030, according to Li Yongjie, Deputy International Trade Representative at the Ministry of Commerce.

Li added in a press conference that China will continue to expand its globally oriented network of high-level free zones to cover more countries and regions, while promoting greater openness and deeper reforms.

China has so far signed 22 Free Trade Agreements (FTA) with 29 countries and regions, representing one-third of its foreign trade. Li pledged to work towards joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), concluding negotiations on the China-ASE-AN Free Trade Agreement Version 3.0 as soon as possible, and advancing the FTA between China, Japan, and the Republic of Korea

Li stated that when establishing new free zones, China will expand the list of duty-free products, further open sectors such as telecommunications, healthcare, and tourism, and include rules covering the digital economy, green economy, intellectual property rights, and mutual recognition of standards. She added that to align with high-level international economic and trade rules, the country will push for reforms in areas such as intellectual property rights protection, industrial subsidies, environmental protection, labor protection, government procurement, e-commerce, and the financial sector.

With the development of cross-border e-commerce as an emerging force in China's foreign trade growth and the strong momentum of international trade development worldwide, China has intensified its efforts to boost cross-border trade exports, improve the layout of overseas warehouses for domestic companies, and accelerate new investments to stimulate foreign trade growth.

According to official data released by China's General Administration of Customs, the value of cross-border e-commerce imports and exports in the country reached 2.38 trillion yuan (approximately \$333.8 billion) in 2023, an increase of 15.6 per cent year-on-year, accounting for 5.7 per cent of the total import and export of goods during the same period. In the first half of this year, the value of cross-border e-com-

merce imports and exports in China reached 1.22 trillion yuan, an increase of 10.5 per cent year-on-year, marking a rise of 4.4 percentage points higher than the overall growth rate of China's foreign trade during the same period.

Globally, relevant data showed that 2.64 billion consumers made at least one online purchase in 2023, while global e-commerce sales are expected to grow by 50 per cent over the next three years.

Wang Jian, a professor at the School of International Trade and Economics, pointed out that cross-border e-commerce is leading global markets in shifting growth directions. Currently, cross-border e-commerce has recorded significant increases in various regions around the world, with consumers and business owners paying close attention to the changes brought about by cross-border e-commerce. It has become an important option for consumers in European, U.S., and other mature markets, while also seeing new growth in Southeast Asia, Latin America, and Africa.

Meanwhile, Zhu Bing, an official at the Ministry of Commerce, stated that there will be no restrictions on foreign investment in the manufacturing sector as part of efforts to expand the country's openness. According to Xinhua News Agency, Bing said that China will take additional steps to facilitate market access and enhance the business environment for foreign companies.

Specifically, the country will expand the catalog of industries that encourage foreign investment and will promote regulated openness in sectors such as telecommunications, the internet, education, culture, and healthcare. The revised rules will be published to further support long-term foreign investment in the capital market, according to the official.

Bing noted that China remains an attractive destination for foreign investment, highlighting the unchanged advantages of the Chinese economy, including its strong foundations, vast market, high-quality industrial supply, and a distinguished pool of exceptional talent.

Foreign investment actually utilized in China reached nearly 500 billion yuan (about \$70 billion) in the first half of this year, a relatively high level over the past decade. At the same time, the number of newly registered foreign-funded companies in the country increased by 14.2 per cent year-on-year, reaching nearly 27,000 companies.

The value of crossborder e-commerce imports and exports in China is trillion yuan, an increase of 10.5%



# Open data strengthens principle of transparency and innovation

In a new step reflecting the Sultanate of Oman's commitment to transparency and innovation, the Ministry of Transport, Communications, and Information Technology (MTCIT) awarded a Certificate of Appreciation to the Public Authority for Special Economic Zones and Free Zones (OPAZ) in recognition of its efforts in publishing open data. This initiative is not only a recognition of the authority's work but also marks a significant shift in how data is used to promote transparency and drive economic development in the country.

Open data means providing public data to the public for free, allowing citizens, businesses, and investors to access and use it in innovative ways. In the context of government institutions, open data serves as a means to increase transparency, enhance accountability, and encourage community engagement. Thanks to this data, investors can make decisions based on accurate information, which in turn strengthens the business environment for attracting investment.

Through its website (opaz.gov.om), the Authority has showcased important information such as one-stop shop services, Omanisation rates, cumulative investment volume, and the total area of economic, free, and industrial zones, among other data available for browsing and use.

By providing this data in a convenient and efficient manner, the Authority has helped companies and investors make informed decisions based on accurate information. This model of transparency not only strengthens trust between investors and the Authority but also reinforces its role as a key driver of innovation and economic growth in the Sultanate of Oman.

Open data is an effective tool for achieving national objectives and stimulating economic growth by enhancing transparency. Open data encourages the sharing of information with the public, which improves institutions' ability to provide better services and make well-informed strategic decisions. Moreover, this contributes to creating a more open business environment that drives innovation and supports the development of the national economy, while also building an advanced information society and enhancing the country's ability to benefit from the rapidly accelerating digital transformation.

OPAZ's efforts stand as a model for how open data can be utilised to promote transparency and innovation. This initiative reflects a successful partnership between government institutions in upholding principles of good governance and fostering collaboration in an era of rapid digital transformation. The ongoing efforts to publish open data serve as an exemplary model, as such initiatives help to maximise the use of available resources and information, driving sustainable development and enhancing the Sultanate of Oman's ability to achieve its strategic objectives.

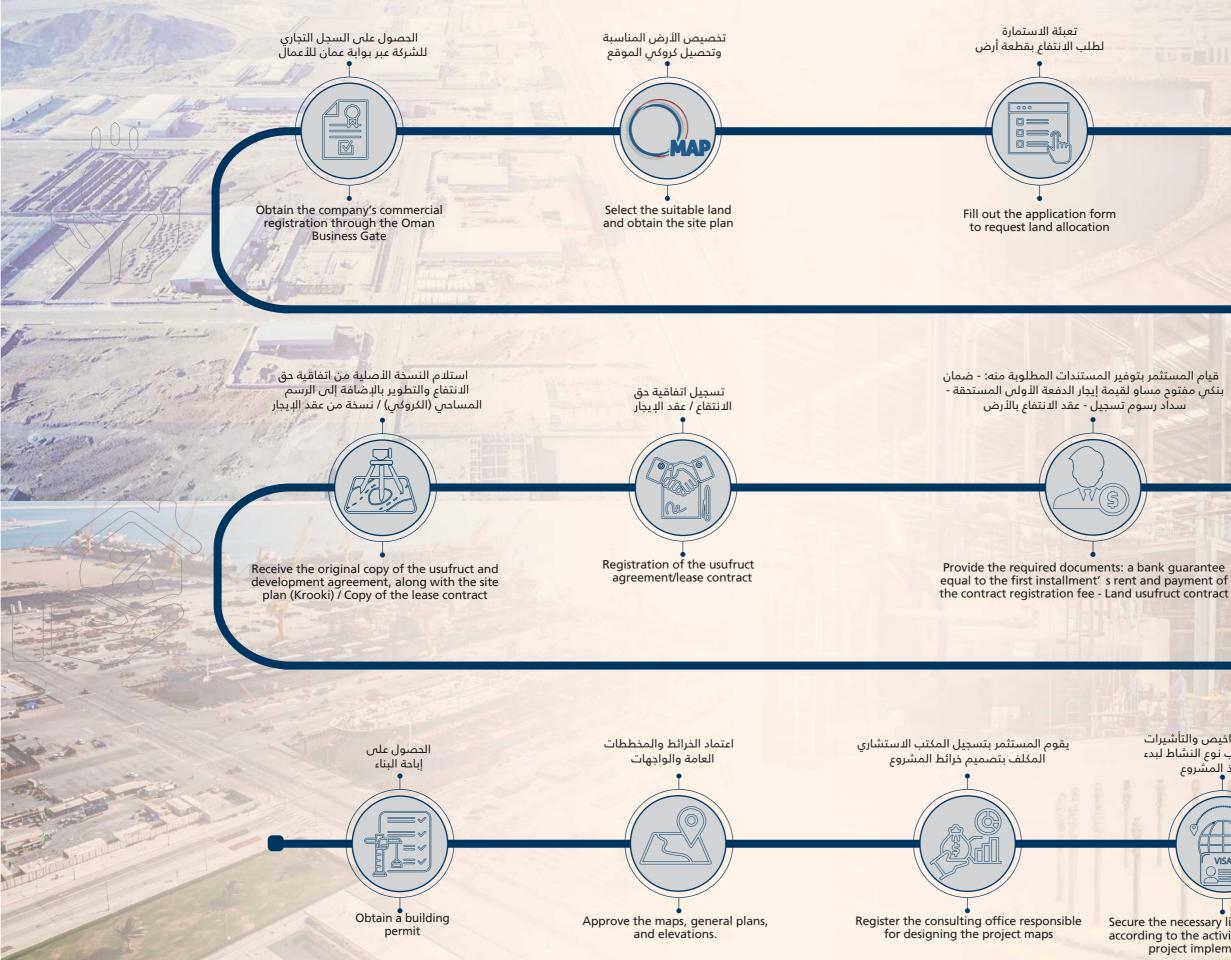




Saleh Nabhan Al Maamari Editor-in-Chief

> **Open data** is an effective tool for achieving national objectives and stimulating economic growth by enhancing transparency. Open data encourages the sharing of information with the public

# كيف تبدأ مشروعك الاستثماري في المناطق الاقــــتصادية الخـاصـة والـحـرة والمــدن الصناعية Steps to start your investment in economic zones, free zones and industrial cities



استخراج التراخيص والتأشيرات اللازمة حسب نوع النشاط لبدء تنفبذ المشروع

Secure the necessary licenses and visas according to the activity type to begin project implementation