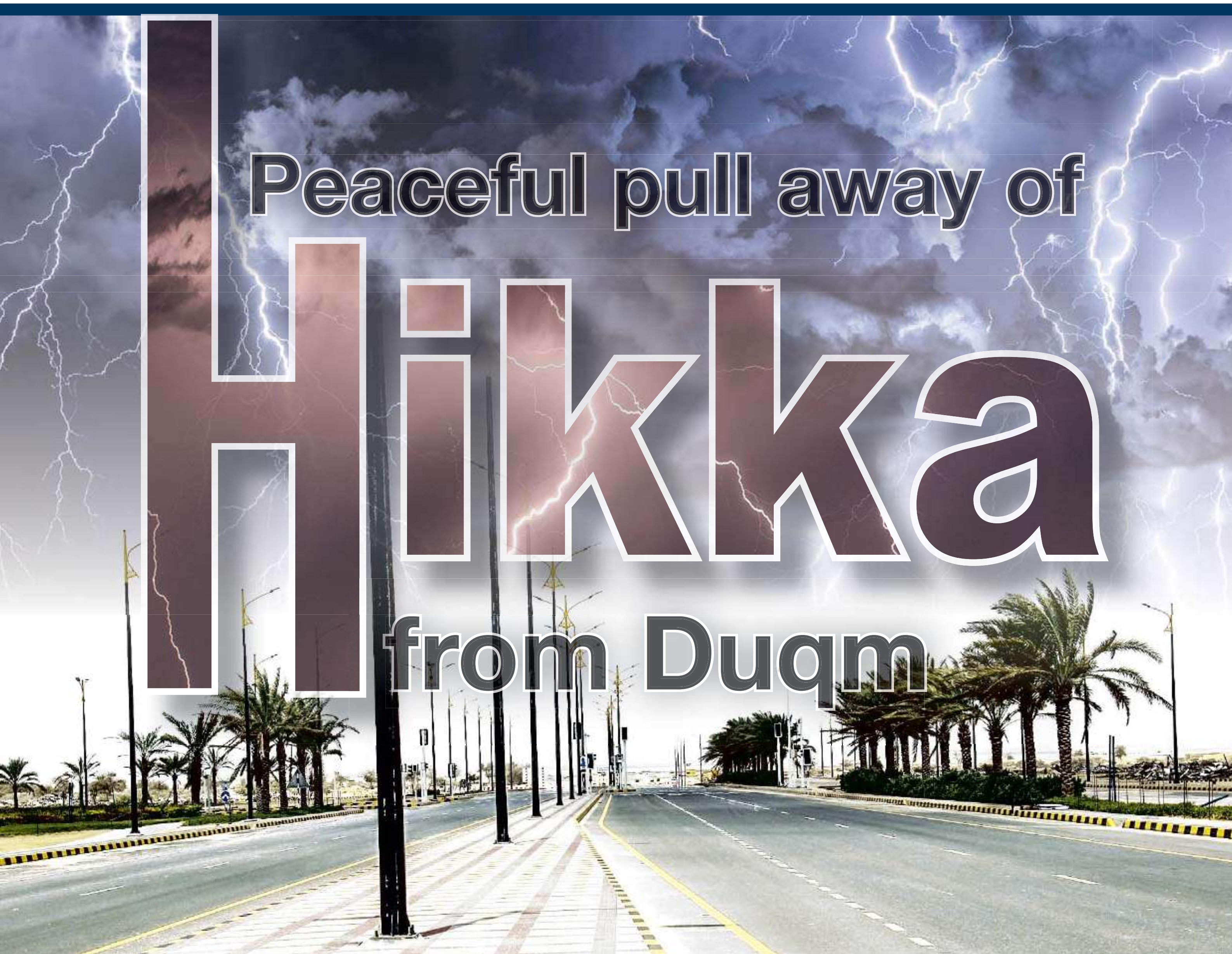
الدقم الاقتصادية

Duqm Economist

A Quarterly magazine issued by the Special Economic Zone Authority at Duqm **18th Issue - October 2019**



Peaceful pull away of Hikka from Duqm

The world's largest container shipping companies launch voyages to the Port of Duqm

Campaign aims to attract European companies to invest in SEZD

مجمع شموخ للتعدين

SHUMUKH MINING COMPLEX

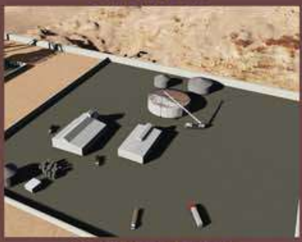
SHUMOOKH MINING INDUSTRIES IS THE FIRST INTEGRATED INDUSTRIAL COMPLEX IN THE SULTANATE

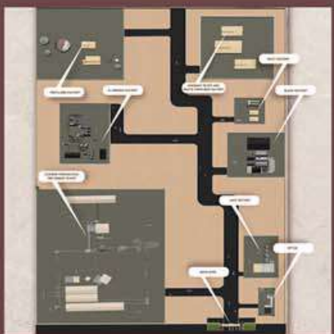
The vision of the complex of Shumookh Mining Industries is to encourage local and international companies to exploit the mineral resources available in the SEZAD to establish projects with a profitable economic return.

In Shumookh complex, we seek to reflect the directives of His Majesty Sultan Qaboos bin Said to enhance the added value of mineral wealth and make it a contributor to the national economy.


CLINKER FACTORY

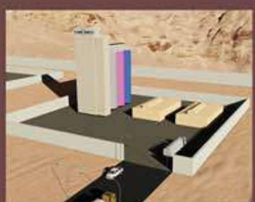

GLASS FACTORY


FERTILIZER FACTORY




ALUMINUM FACTORY


3D SHOT


PAINT FACTORY

Optimistic Indicators

The diverse weather condition experienced by the SEZD in September is one of the most important challenges for the infrastructure of the zone, but fortunately, the zone has absorbed them. The infrastructure and major projects such as the port, dry dock, roads and airport proved their ability to withstand the heavy rainfall and the wind intensity that accompanied Hikka Cyclone. This makes us feel proud of the Omani cadres and foreign expertise that worked on building these edifices to be able to cope with such diverse and tough conditions, whether in the form of cyclones or tropical storms.

We are also pleased to pay tribute to the efforts of Authority's staff and other government bodies and companies operating in the zone who have worked in a team spirit since the announcement of this weather condition to avoid the negative effects of the cyclone and bring life to the normal.

Apart from these events, the SEZD witnessed the start of the construction of a number of important projects, such as the oil storage station in Ras Markaz, which is a vital project for storing all types of crude oil in large quantities outside the Strait of Hormuz. It is located on the Arabian Sea overlooking the Indian Ocean and near international shipping lines, making it an ideal choice for companies and countries willing to store their oil in a safe location and in a country with political stability and balanced international relations. From this point, we encourage the various countries of the world, both oil producing and importing countries and companies operating in this sector to use the facilities available at Ras Markaz to store oil until needed.

The past months have also witnessed the construction commencement of the the non-metallic pipes factory, which is being built in the Chinese Industrial City as the first factory to be built in the city, which is seeing the interest of many Chinese investors. The factory is a new addition to the industrial sector in the SEZD, and we look forward to further investments, whether from the Chinese side or other countries that are interested to invest in Duqm. The promotional campaigns organized by the Authority this year in India, Russia and Belgium have showed a certain desire of companies operating there to invest in the zone.

The Authority is working to keep pace with investors' aspirations by providing them with the land they need in addition to an integrated package of incentives and facilities. The Authority is also working to update its legislations to meet the expectations of investors and find solutions to the challenges facing them.

Yahya bin Said Al Jabri
General Supervisor

We encourage the various countries of the world, both oil producing and importing countries and companies operating in this sector to use the facilities available at Ras Markaz to store oil until needed

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

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

Tel:
0096824507572
/0096824507540

Fax:
0096824587400

Email:
magazine@duqm.gov.om

Website:
www.duqm.gov.om

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The magazine welcomes specialized research and academic studies

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هيئة المنطقة الاقتصادية الخاصة بالدقم
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Sultanate of Oman سلطنة عُمان

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Duqm الدقم

هيئة المنطقة الاقتصادية الخاصة

Special Economic Zone Authority

Sultanate of Oman سلطنة عُمان

INVEST IN DUQM

SEZD (Special Economic Zone at Duqm) in the Sultanate of Oman offers a variety of investment opportunities in different fields including heavy industries , logistics, trade, tourism and fisheries with many incentives that are:

- Up to 30-year tax exemption, renewable.
- Up to 50-year usufruct agreements, renewable.
- A range of services to investors through the One-Stop Shop.

SEZD (Special Economic Zone of Duqm) is distinguished by:

- Its strategic location on the Arabian Sea, near international shipping lines.
- Moderate climate year-round
- (2000 km2) of available lands for investment.
- Multi-purpose port.
- A dry dock yard for ship repair and maintenance.
- A refinery and petrochemical industries area.
- A regional airport.
- Roads network

+968 24507500

+968 24587400

Bareeq Al Shatti، P.O. Box 25, PC 103

info@duqm.gov.om

www.duqm.gov.om

@sezaduqm

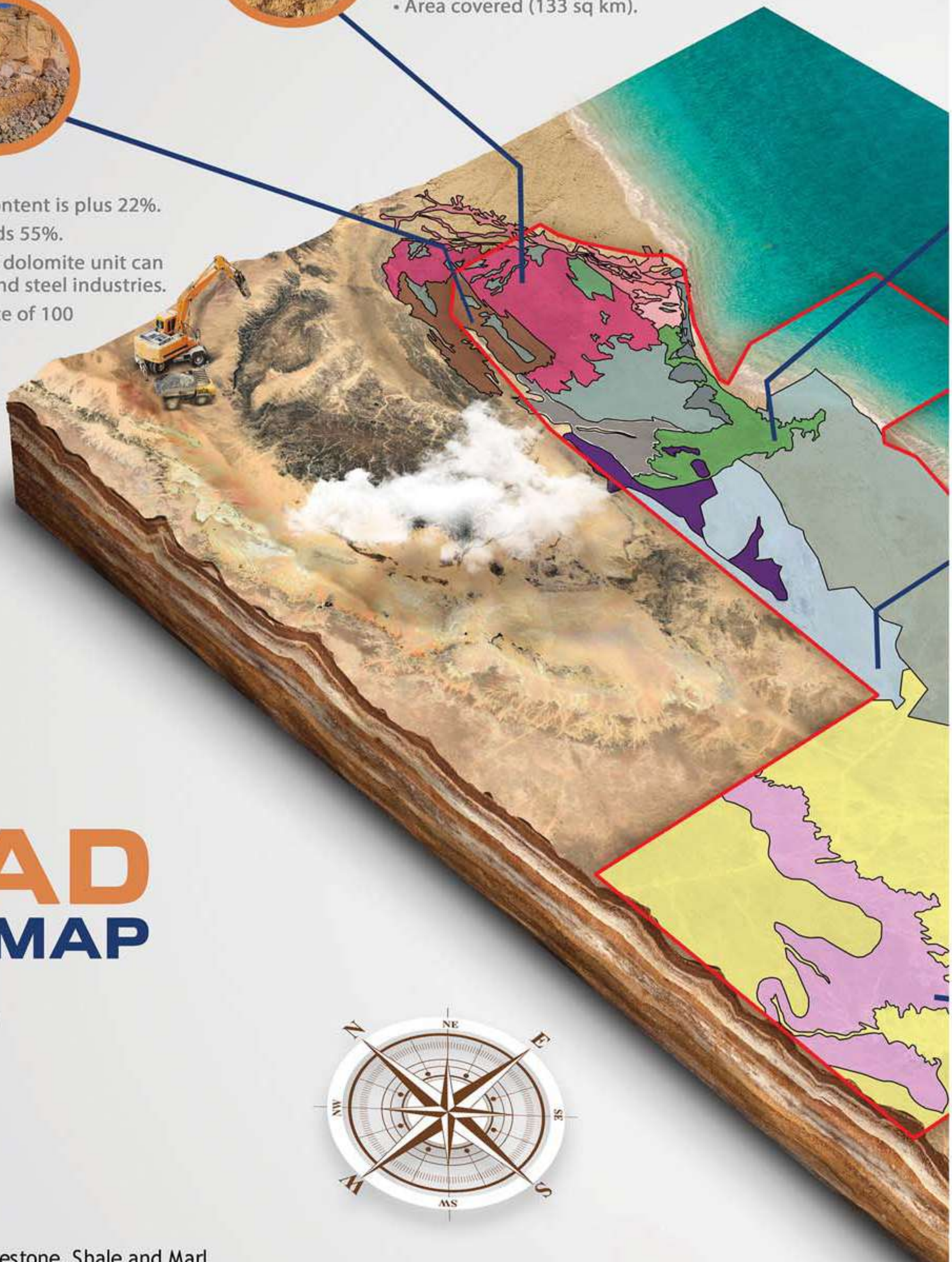
+968 71144433

Shale, Siltstone and Limestone unit

- Limestone sequence have a (CaO) content over 70%.
- Implemented in cement industry and making of aggregates as well as filling material.
- Area covered (133 sq km).

Dolomite

- In this unit, (MgO) content is plus 22%.
- (CaO) content exceeds 55%.
- This industrial-grade dolomite unit can be invested in Iron and steel industries.
- Approximate resource of 100 million tons (MT).



SEZAD MINING MAP

- Lease Boundary of SEZAD
- Light Chalky Limestone
- Fossiliferous Limestone
- Marl and Limestone
- Conglomerate
- Clay, Silt and Evaporite
- Shale and Marl
- Bioclastic Argillaceous Limestone, Shale and Marl
- Cemented Limestone Fragments
- Dolomite
- Limestone and Dolomites
- Interbedded Bioclastic Limestone and Shale
- Shale, Siltstone and Limestone
- Alluvial Deposits
- Industrial Area

: +968 9321 6594 | : info@duqmquarries.om
P.O Box: 2108, PC: 130, Azaiba, Sultanate of Oman
www.duqmquarries.om

محاجر الدقم

DUQM QUARRIES

Clay, Silt & Evaporite

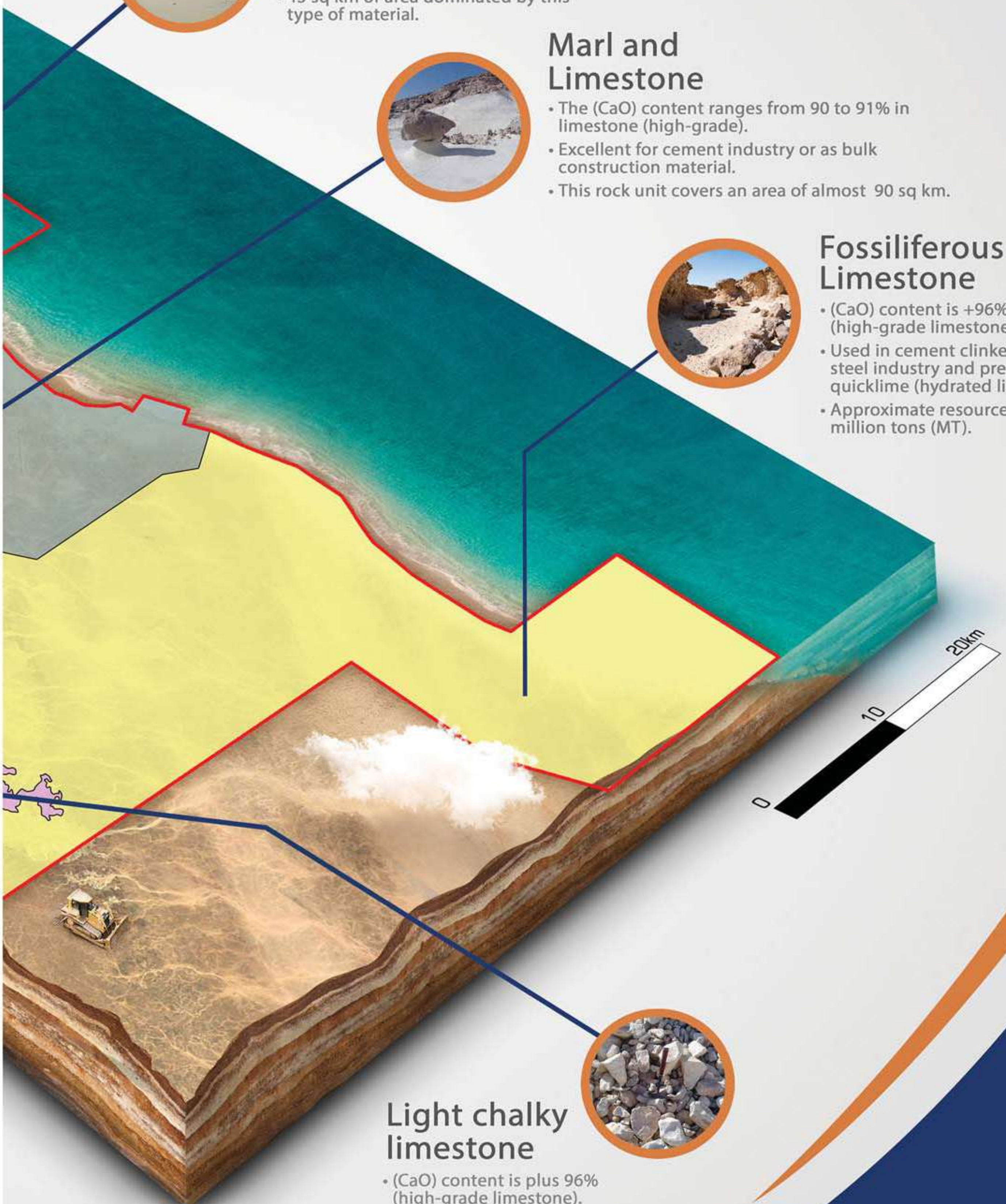
- Commonly used as backfill material & production of cement clinker.
- 45 sq km of area dominated by this type of material.

Marl and Limestone

- The (CaO) content ranges from 90 to 91% in limestone (high-grade).
- Excellent for cement industry or as bulk construction material.
- This rock unit covers an area of almost 90 sq km.

Fossiliferous Limestone

- (CaO) content is +96% (high-grade limestone).
- Used in cement clinker production, steel industry and preparation of quicklime (hydrated lime).
- Approximate resource + 300 million tons (MT).



Light chalky limestone

- (CaO) content is plus 96% (high-grade limestone).
- Useful in cement and building industry.
- Approximate resource + 200 million tons (MT)

Expected to become a global hub for several industries in the coming years

Yousuf bin Alawi: Duqm has become a magnet for trade exporting countries

The Sultanate's distinct geographical location brings her under the attention of the world countries

Port of Duqm will be a central hub to gather and re-export products to other countries

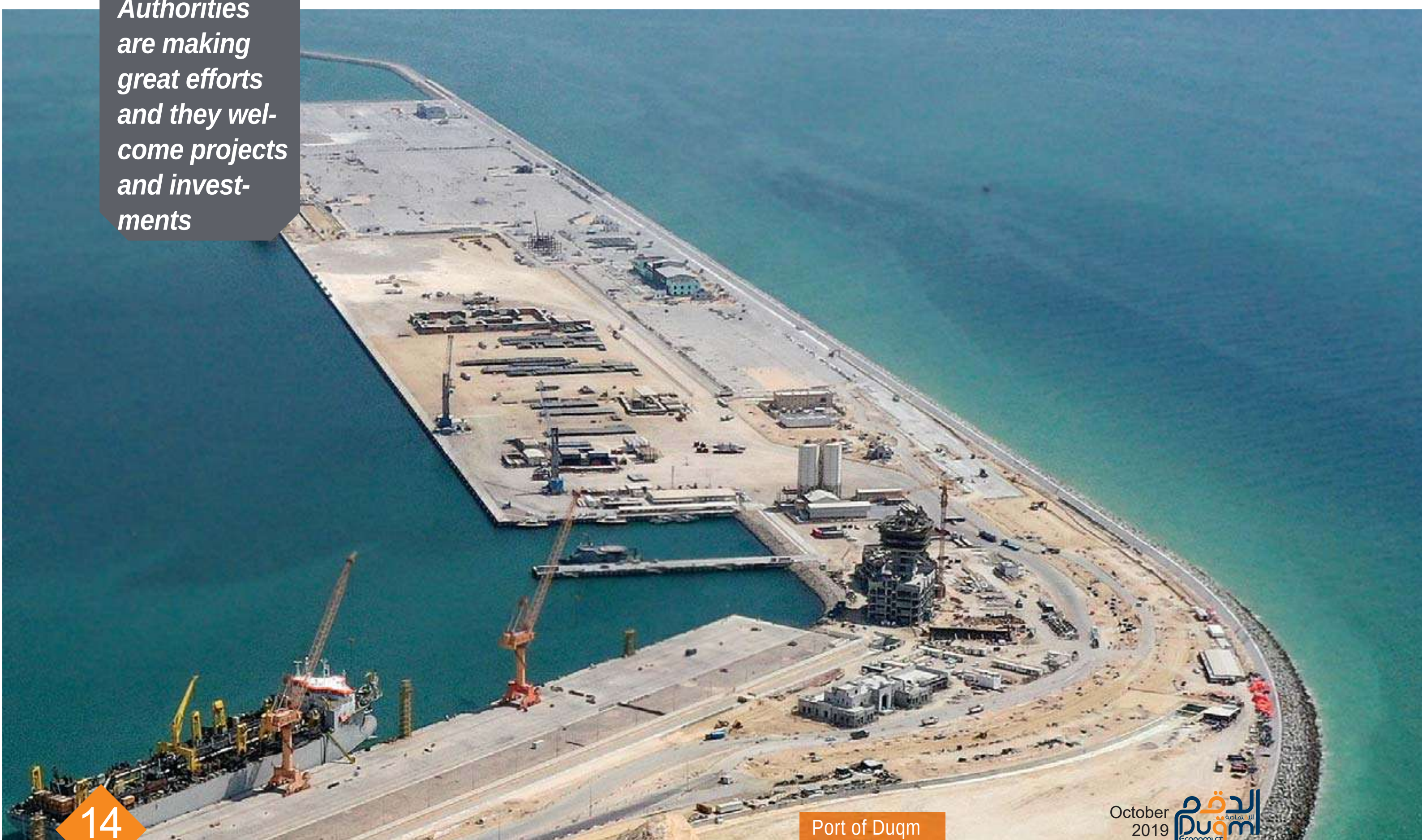
Authorities are making great efforts and they welcome projects and investments

Muscat - Duqm:

According to Yousuf bin Alawi bin Abdullah, Minister Responsible for Foreign Affairs, The Special Economic Zone at Duqm (SEZD) has become a magnet for trade exporting countries, and expected that SEZAD will become a global hub for several industries in the years to come.

Speaking to Oman TV in New York upon the 74th United Nations General Assembly, the minister stated that the Sultanate's distinct geographical location brings her under the attention of the world countries. In this framework, SEZD has become focus of interest by states who are eying to utilise the Port of Duqm as a major hub to gather and re-export products.

Alawi also pointed out that the authorities are making great efforts and they welcome projects and investments, confirming that SEZD will become an international hub for petrochemicals and other industries as well as a re-export zone. He added that this trend is heavily supported by the Government of His Majesty Sultan Qaboos within the framework of the five-year plans and Oman Vision 2040.



Port of Duqm

The world's largest container shipping companies launch voyages to the Port of Duqm

Container carrier of the giant company (Hapag Lloyd) while docking in the Port of Duqm

Duqm - Duqm Economist :

The largest container shipping companies in the world began to launch voyages to the Port of Duqm, Hapag Lloyd Gmbh, the world's fifth-biggest container shipping company line, discharged its first cargo at the Port of Duqm. Three specialized 40-foot cranes unloaded its cargo coming from India.

This is a major achievement for Port of Duqm as it acknowledges the importance of its container terminal as a gateway port to receive cargo and general products coming from overseas to the Special Economic Zone at Duqm.

Hapag Lloyd is the main operator of world's shipping lines and one of the other worldwide leading operators like CMA CGM, MSC, Ever-Green, Hyundai Merchant Marine HMM.

The first container shipment from Maersk

In early October 2019, the Port of Duqm received the first time a container shipment belonging to Maersk, a leading maritime logistics company, which came from Jawaharlal port in India through Jebel Ali port and then to Duqm.

It is expected that the port operations will be expanded gradually in the coming period, when the container operations will begin in full.

The port of Duqm is becoming increasingly important as a strategic location and destination for cargo and container unloading, supported by its proximity to shipping lines and international markets such as the Indian subcontinent, East Africa and the Middle East.

The port receives the first shipments of Maersk and Hapag-Lloyd

The entry of international shipping companies qualifies the port to become a major container terminal

While loading Maersk

Providing smart payment solutions to improve collection processes for government and private institutions

Thawani launches a new platform using the Internet of Things to develop smart cities

Minimizing human intervention to complete smart payment transactions and save time and effort

Muscat - Duqm :

Thawani recently launched Makanak platform, the Internet of Things, for the development of smart cities. It signed an agreement to activate Makanak platform with Haya Water, the first user.

Makanak platform is a smart and innovative solution that helps reducing human intervention to complete smart payment transactions, saves time and effort, facilitates the tracking and documentation of every payment made through the platform by the users of the service, and improves and enriches their experiences and facilitates their lifestyle.

The first current application of the platform is the development of the tank management system in the terminals managed by Haya Water where smart stickers were placed on the tanks. These stickers linked to the account of Haya Water in Thawani, which enables it to read the number of gallons and determine the value of payments paid by tanks owners.

"Thawani Technologies" is an Omani company specialized in technology that provides smart and innovative payment solutions that meet the Sultanate's orientation towards establishment of smart cities and employ the latest technologies to improve the lifestyle of individuals and entities.

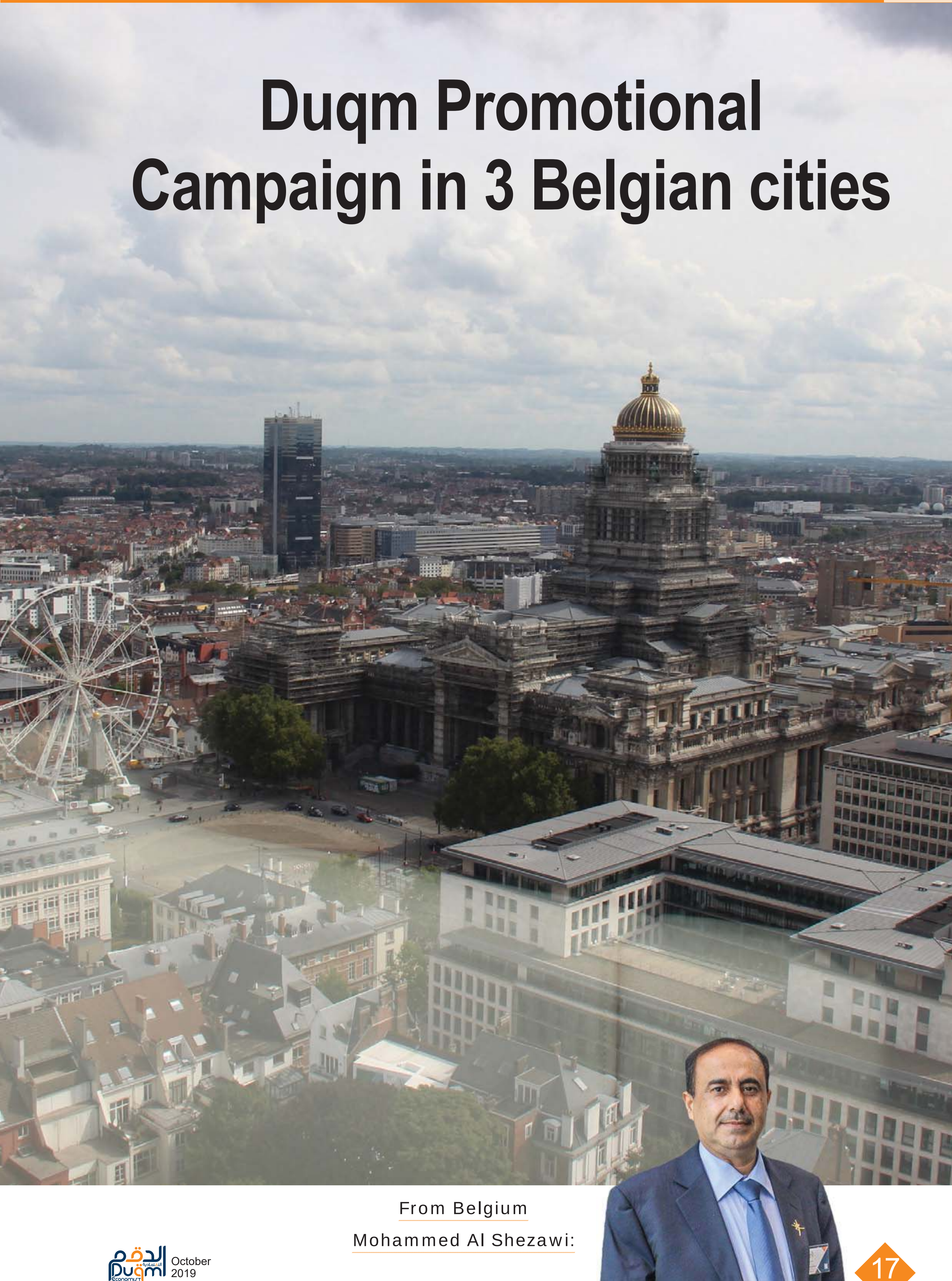
Facilitating real-time tracking and documentation of each payment made via the platform

Pay by Phone

In addition, Thawani has launched an innovative smart payment service at Oman Oil Marketing service stations. The innovative service allows the user to pay using his mobile phone through the station operator by entering the vehicle number in the pump and then a notification will be sent requesting the user to complete the payment through the application and not by cash.

Thawani Technologies LLC was established in March 2016 as an Omani company specialized in providing innovative E-Payment solutions through mobile phones and other electronic channels.

Duqm Promotional Campaign in 3 Belgian cities



From Belgium

Mohammed Al Shezawi:

Campaign aims to attract European companies to invest in SEZD

Al Jabri: Campaign brings more economic and investment cooperation between Oman and Belgium

Yahya Al Jabri addresses the audience

Raoul Delcorde addresses the audience

Brussels (Belgium) - الدقم:

The "Invest in Duqm" promotional campaign, organized by the Special Economic Zone Authority at Duqm (SEZAD), kicked off in the Belgian capital, Brussels, on September 9, 2019. Present at the campaign launch were His Excellency Dr. Raoul Delcorde, Director of the Middle East at the Belgian Ministry of Foreign Affairs, and Johan Beerlandt, President of Arab-Belgian-Luxembourg Chamber of Commerce and His Excellency Najeem bin Sulaiman Al Abri, the Sultanate's Ambassador to the Kingdom of Belgium and the European Union.

Belgium is the 3rd destination for the "Invest in Duqm" Campaign following the previous 2 campaigns in India and Russia this year. The campaign, organized in 3 Belgian cities, Brussels, Liege and Antwerp, is aimed to explore various investment and cooperation opportunities with Belgian and European companies and attract them to invest in Duqm.

Brussels, is the permanent headquarter of the European Commission, the executive arm of the European Union, and Belgium is one of the six founding countries of the European Union.

More economic and investment cooperation

Speaking on the occasion, His Excellency Yahya bin Said Al Jabri, Chairman of the Special Economic Zone Authority at Duqm, said that the promotional campaign for Duqm in the Kingdom of Belgium seeks to bring more economic and investment cooperation opportunities between the Sultanate and Belgium, reflecting on the growing relations between the two countries.

"Belgium currently plays a very crucial role in the development of the Special Economic Zone at Duqm, more specifically, the concession agreement signed with Consortium Antwerp Port (CAP) to manage and operate the Port of Duqm and its industrial land", Al Jabri pointed out.

"Initiating a dialogue on trade and investment cooperation between The Kingdom of Belgium and the Duqm Special Economic Zone in the Sultanate of Oman is of utmost importance to us. This session emphasizes on the great importance we attribute in strengthening our economic and commercial relationship with Belgium" he added.

Highlighting the economic importance of Belgium to the GCC, His Excellency Yahya bin

Raoul Delcorde: We can do better for our countries and we rely on this mission to reinvigorate the exchanges

Attendees during the briefing sessions

President of Arab-Belgian-Luxembourg Chamber of Commerce addresses the audience

Shakeel Al Balushi gives a presentation on Duqm Quarries

Said Al Jabri, Chairman of the Special Economic Zone Authority at Duqm, commented: "In the last decade, Belgium became the leading hub for the fast growing GCC chemicals exports in Europe that has steadily been increasing market share over the years".

Attractive incentives

His Excellency also touched on the Sultanate's strategic location, political stability and proximity to the Asian markets, which enable it to be a major hub for commerce, industry and trade in the region in addition to the incentives and advantages offered for global investors.

Sustaining growth in business deals

On the other side, His Excellency Dr. Raoul Delcorde, Director of the Middle East at the Belgian Ministry of Foreign Affairs said: "Trade between our two countries could be further improved. In 2018 bilateral trade amounted for almost 200 million euros with a commercial surplus for Belgium; it is better than 2017 (155 million euros) but the years 2012 to 2014 were significantly better (especially because of a strong euro). Thus, we can do better and we rely on this mission to reinvigorate the exchanges. A hundred Belgians are active and happy to work in Oman and only ask to contribute to the growth of our exchanges".

Promising investment opportunities

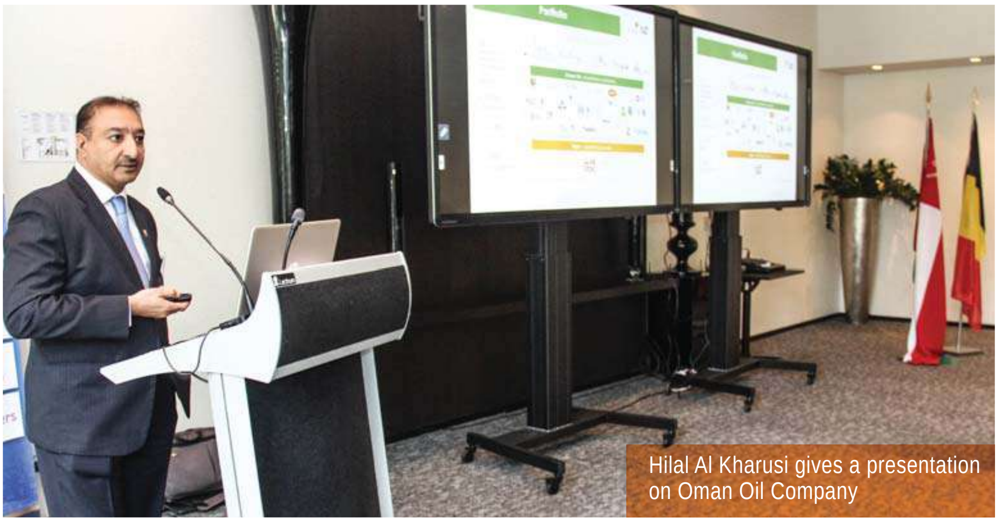
Likewise, Johan Beerlandt, President of Arab-Belgian-Luxembourg Chamber of Commerce, commended the investment opportunities presented by SEZD to Belgian coroporates. Addressing the belgian business leaders, he stated: "I would strongly advocate Belgian SMEs join the game as the Sultanate is actively diversifying and offering plenty of

Saleh Al Hassani briefs the audience on SEZAD

Johan Beerlandt: I would strongly advocate Belgian SMEs join the game as the Sultanate is actively diversifying and offering plenty of opportunities in large range of domains

Bilateral trade between both countries amounted for 200 million euros last year

Focus on incentives and benefits offered to increase more foreign investments in the Sultanate



Hilal Al Kharusi gives a presentation on Oman Oil Company

opportunities in large range of domains"

Urging Omani buisness people to explore business opportunities in Belgium, Beerlandt remarked: "I also firmly believe there is a room for Omani business community in our region. Belgium is strategically situated in the heart of the European Union and benefits from a prosperous economic environment, which offers an ideal starting point for reaching a market 500 million European consumers".

Port of Duqm CEO speaks on the occasion

Highlighting Oman's characteristics to make it a hub for commerce and industry in the region

Presentations

During the campaign, a forum was held in which a number of presentations were conducted to familiarize attendees with investment opportunities in Oman. Muhanna Al Sinani, Investment Promotion Specialist at the Public Authority for Investment Promotion and Export Development (Ithraa), shed light on the investment climate in the Sultanate.

Besides, Saleh bin Hamoud Al Hassani, Director General for Investors Services at the Special Economic Zone Authority at Duqm (SEZAD), briefed on the incentives offered by SEZAD to investors and highlighted the current projects in the Zone. Other presentations touched on the Port of Duqm, Dry Dock, Oman Oil Company and Duqm Quarries Company.

The campaign includes organizing another forum in Antwerp and other visits to be organized to government officials and companies in Belgium. This promotional campaign for Duqm is part of the ongoing efforts of SEZAD to attract new corporates to invest in the Zone.

Khalfan Al Ruqaishi gives a presentation on Dry Dock

Muhanna Al Sinani speaks about Ithraa

Invest in Duqm campaign showcases investment opportunities to international corporates in Belgium

His Excellency Chairman of SEZAD discusses investment opportunities with Luc Gaillard, Deputy Governor of Liege (First from right)

Deputy Governor of Liège: The visit strengthens cooperation between both parties

Omani delegation being briefed about oil industry products of Armstrong International

Liege (Belgium) - Duqm:

As part of the promotional campaign "Invest in Duqm", held in Belgium, different corporate visits were organized to present investment opportunities in the Special Economic Zone at Duqm (SEZD) to a number of Belgian companies based in the city of Liège, located in Eastern Belgium.

During the visits, His Excellency Yahya bin Said Al Jabri, Chairman of the Special Economic Zone Authority at Duqm (SEZAD), met with Luc Gaillard, Deputy Governor of Liege, where His Excellency shed light on SEZD, investment opportunities and the current projects being developed in the Zone. As well, His Excellency invited investors from Belgium to explore the available investment opportunities.

On the other hand, Deputy Governor of Liege welcomed His Excellency and the delegation participating in the "Invest in Duqm" promotional campaign.

Corporate Visits

The visits, being arranged to the companies operating in Liege, were aimed at exchanging expertise between both parties as well as discussing the possible cooperation opportunities with SEZAD and the other projects in the Zone.

Among the visited companies was Armstrong International, which was founded in the United States in 1900 and has witnessed extensive growth over the past century. Today, it is becoming a multinational company operating in many countries around the world and specialized in different sectors, including the chemical industries, healthcare, foodstuff and medicines. Besides, it is renowned for its expertise in offering intelligent solutions in improving facilities performance, reducing energy consumption and environmental emissions and other areas.

Another visit was organized to John Cockerill, which was founded 200 years ago and currently operates in a number of businesses with most notably the renewable energy. Last year, the company recorded high sales of around 1.3 billion euros.

Furthermore, other potential cooperation opportunities in various aspects between the Omani companies and their Belgian counterparts were explored during different meetings between the Chairman of the Special Economic Zone Authority at Duqm with officials from corporates operating in the city of Liege.

Discussing cooperation opportunities between SEZAD, city of Liège and corporates operating in Liege

Omani delegation during the visit to John Cockerill

Confirming importance of Invest in Duqm campaign to increase cooperation and attract investments

Belgian officials commend Sultanate's efforts in economic diversification

Governor of the Province of Antwerp: Many factors support the various economic and investment relations between Oman and Belgium

Omani companies discuss cooperation and partnership opportunities with Belgian counterparts

Vice Mayor of Antwerp: Port of Duqm is an important marine gateway attracting many potential opportunities for success and growth to the Zone


Governor of the Province of Antwerp addresses Omani delegation

Antwerp (Belgium) - Duqm:

Belgian officials commended the Sultanate's efforts towards achieving economic diversification, plans to reduce dependence on oil and focus on other non-oil sectors. Cathy Berx, the Governor of the Province of Antwerp, stated that Oman's progress over the past decades has been noteworthy; its efforts on economic diversification are paying off.

In her speech to the campaign's delegation, the Governor of the Province of Antwerp stated that the Sultanate has identified five major economic sectors during its current five-year plan, including logistics, industry, tourism, mining and fisheries. She also highlighted Oman's key strategic projects like the Special Economic Zone at Duqm (SEZD), which plays a key role to attract local and international investments.

Cathy Berx highly admired the economic and investment cooperation between the Sultanate and Belgium, noting that there are many factors supporting the various economic and investment relations between the two countries and contributing to its growth. She also stressed on the significant need for such bilateral visits to exchange ideas and expertise that help promoting economic relations between both parties.

On the other side, His Excellency Yahya bin Said Al Jabri, Chairman of the Special Economic Zone Authority at Duqm (SEZAD), gave a briefing to the Belgian officials on SEZAD and the government's efforts striving to well establish the infrastructure of the Zone and prepare it to attract investments of different kinds and scales.

Belgian companies show more interest

Generally, the "Invest in Duqm" promotional campaign was well received by Belgian companies and government officials who stressed on the need to identify op-


Vice Mayor of Antwerp gives her speech

Delivering presentations during the Invest in Duqm Forum

Yahya Al Jabri addresses audience during Invest in Duqm Forum in Antwerp

portunities for partnership and investment. Annick De Ridder, Vice Mayor of Antwerp and Vice President of the Antwerp Port Authority commented that Port of Duqm is an important marine gateway attracting many potential opportunities for success and growth to Duqm Special Economic Zone.

"As we are optimistic about the future, still there are certain challenges that need to be tackled. However, through joint forces between Duqm and Antwerp, we can overcome these challenges," Vice Mayor of the Province of Antwerp added.

Building sustainable partnerships

His Excellency Yahya bin Said Al Jabri highlighted the significance of strengthening the cooperation and business relations between Oman and Belgium. He also expressed to Belgian businesspersons SEZAD's interest to build more sustainable partnerships with companies operating in Antwerp.

Moreover, during the forum, Al Jabri presented the various advantages of the 2000-square kilometer Zone in Duqm, the largest in the Middle East and North Africa. The Port of Duqm, Dry Dock, Duqm Refinery, the airport, heavy industrial, medium and light industries, residential, commercial, tourist and logistics areas were also underlined as key businesses in Duqm. As well, he touched on the facilities and incentives provided by SEZAD to attract international investors.

Exploring investment opportunities

Therefore, His Excellency urged Belgian officials and businesspersons in Antwerp to explore the investment opportunities offered by SEZD. Building on the strong bilateral relations between both countries, he attributed that such mutual visits would help exchanging expertise and bringing more business deals.

In addition, a number of detailed presentations were delivered to the audience during the forum, shedding light on SEZAD, Public Authority for Investment Promotion and Export Development (Ithraa), Port of Duqm, Oman Dry Dock, Oman Oil Company and Duqm Quarries.

Visiting DEME

The Omani delegation visited DEME Company, which is based in the Antwerp Port area. The company is specialized in the reclamation of marine land and providing solutions for companies operating in oil and gas and renewable energy. Upon the visit, company's officials praised the valuable economic relations between the Sultanate and Belgium, especially the port of Antwerp.

Yahya Al Jabri: Building more sustainable partnerships with companies operating in Antwerp

Offered incentives include 100% foreign capital ownership and tax exemptions up to 30 years

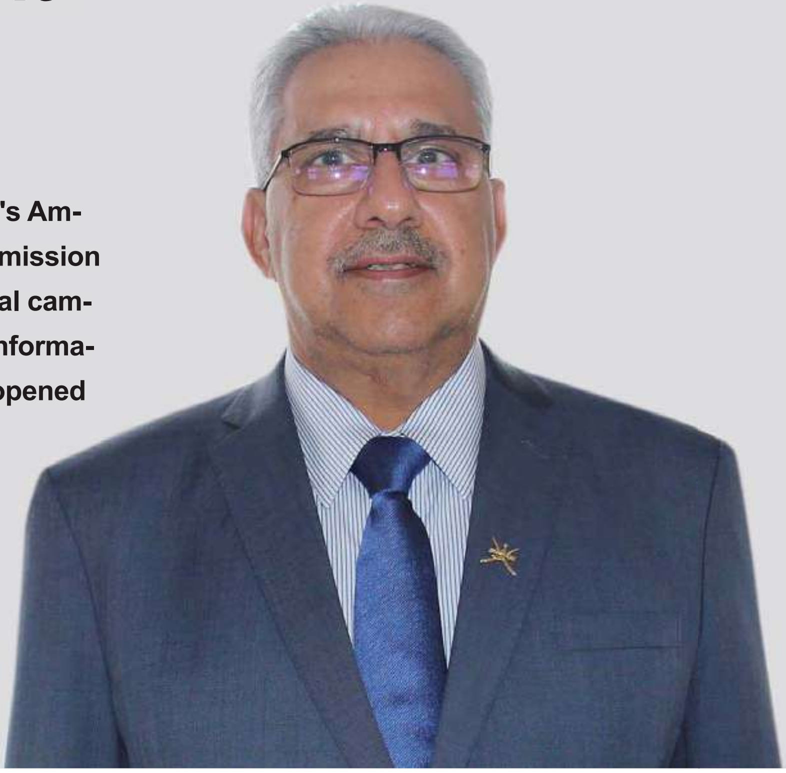
Inviting Belgian companies to explore investment opportunities at SEZD

A ship docking at the port of Antwerp

"Duqm has an exceptional location on the global investment map and we should promote it"

Interviewed in Antwerp

by Mohammed bin Ahmed Al Shezawi



His Excellency Najim bin Sulaiman Al Abri, Sultanate's Ambassador to the Kingdom of Belgium and Head of its mission to the European Union, confirmed that the promotional campaign "Invest in Duqm" in Belgium provided a lot of information to Belgian companies and officials. Thus, it has opened up greater opportunities for economic cooperation referring to the importance of Duqm on the global investment map due to its geographical location on one hand, and the Sultanate's security and stability and the incentives and facilities offered by the Special Economic Zone Authority at Duqm (SEZAD) on the other hand.

The Sultanate enjoys excellent political relations with various countries around the world thanks to the wise policy of His Majesty the Sultan

Economic relations between the Sultanate and Belgium are constantly evolving

He said in an exclusive interview with Duqm Economic Magazine that the economic relations between the Sultanate and the Kingdom of Belgium is constantly evolving, pointing to the interest received by Duqm in this regard by His Majesty King Philippe of Belgium and his sister Princess Astrid, who heads the Belgian economic missions.

In this regard, the ambassador commented, "Since I arrived in Belgium in 2014, I felt this from them and I submitted an electronic file to His Majesty and his sister about Duqm containing all the information. During my meeting with Her Highness Princess Astrid in 2014 prior to her visit to the Sultanate, I explained to her what Duqm is and how it is now and what is the future expectation upon the completion of infrastructure works."

The talks touched on how to develop economic relations between the Sultanate and the Kingdom of Belgium. A few weeks later, Princess Astrid visited the Sultanate leading a large economic mission. The visit included the Special Economic Zone at Duqm. During the visit, the foundation stone of the industrial zone in Port of Duqm was laid and several agreements were signed.

"Since the establishment of the SEZAD in October 2011, it has been my duty to promote the promising Duqm wherever I am. As the Sultanate's Ambassador to the Kingdom of Belgium and Head of its mission to the European Union, I am constantly talking to all European member states through meetings with delegates of EU

Part of the exhibition organized by the Embassy in 2017


Sultanate's Ambassador speaks at the opening of the exhibition organized by embassy in 2017

The promotional campaign in Belgium opened up greater opportunities for economic cooperation

member states and EU officials on the special investment opportunities in the SEZD.", His Excellency the Ambassador said.

Promoting Investment in the Sultanate

His Excellency Najeem bin Sulaiman Al Abri stressed the importance of promoting investment in the Sultanate in various countries of the world. He said that the Sultanate's Embassy in Belgium is keen to introduce the Sultanate in all occasions and meetings with officials in Belgium, the European Union and Belgian companies. He added, "In all these forums, I assure them that Oman is an attractive environment for investment not only in terms of the availability of laws, legislation or stability, but also in terms of Omani hospitality and culture based on welcoming foreign guests and visitors."

He added, "We should not stay in our offices, but we should go to investors wherever they are. The economy is the main challenge for the countries. We fortunately have excellent political relations with the various countries of the world thanks to the wise policy of the Sultanate led by His Majesty Sultan Qaboos bin Said. This makes it imperative for us to attract investors and exploit Oman's natural potential."

"I hope that the promotion of the Sultanate is not limited to a certain category. We all have to promote the investment and tourism potential of the Sultanate, whether we are ambassadors, officials or citizens as we have a good reputation that we must use for the benefit of our economy. We have a rich heritage and a deeply rooted civilization and we must add to this cultural heritage. The first Arab ambassador to America was the Omani citizen Ahmed bin Noman Al Kaabi, in late April 1840, in the Port of New York and arrived on a unique trip by the ship "Sultana", one of the ships of the Omani fleet under the reign of Said bin Sultan. Omani civilization is comparable to other civilizations such as Greek, Persian and others. This confirms that we have a solid base on which to lean." the Ambassador remarked.

Promoting Tourism

His Excellency Najeem bin Sulaiman Al Abri also highlighted the promotion of tourism, and said that the Sultanate has many attractive features for the European tourists. He said, "When I talked to European tourists, I focused on five words starting with the letter (S) in English: (Sun, Sea, Sand, Security & Stability). These five advantages attract European tourists from Europe or any other continent. The European tourist is looking for security, safety and stability in the destinations he is visiting for tourism, as well as looking for the sun, sea, desert and sand."

The Sultanate is an attractive environment for investment and promoting it is a joint mission

Cultural exhibition in the European Parliament

He pointed out that the Sultanate's Embassy in Brussels in 2017 organized a cultural exhibition in the European Parliament in cooperation with the Friends of Oman Group in the European Parliament and with the support of the Omani State Council, to introduce the Sultanate's rich cultural diversity and tourism. The exhibition lasted for a week, which was visited by European parliamentarians, officials from EU institutions and visitors from around the world, which contributed to introducing a wide audience of Europeans and others to the Sultanate, and Duqm had a good share of the promotion through the identifying publications.

Economic relations with Belgium

On the economic relations between the Sultanate of Oman and the Kingdom of Belgium and its future, His Excellency the Ambassador Najeem bin Sulaiman Al Abri, said "The efforts made during the past years to promote the Sultanate in the Kingdom of Belgium and visits organized to economic delegations from the Sultanate to Belgium and from Belgium to the Sultanate have contributed to the convergence of views between the two sides. This will contribute to the strengthening of existing relationships and their development and growth."

We should not stay in our offices but target investors wherever they are

Sultanate's Ambassador to Belgium during his talks with the Editor-in-Chief

Construction of Ras Markaz Oil Storage Terminal commence

Ras Markaz site achieves the strategic and economic objectives of oil storage project

The terminal provides storage services for all types of crude oil in large quantities outside the Strait of Hormuz

Ras Markaz Terminal prepares the Sultanate to enter the commercial and strategic storage of crude oil

Duqm - :

The construction of Ras Markaz Terminal for oil storage has started this year. The establishment of the terminal comes in response to the directives of His Majesty Sultan Qaboos bin Said, that it is necessary to establish a strategic oil reserve for the country.

Ras Markaz is the appropriate location that meets the strategic and economic objectives of the oil storage project. It is located about 70 kilometers from the Wilayat of Duqm and has been annexed to the Duqm Special Economic Zone in accordance with the Royal Decree No. 5/2016 issued on 28 January 2016.

A Vital Project

The terminal is a vital project aimed at storing all types of crude oil in large quantities outside the Strait of Hormuz. The establishment of the terminal paves the way for the Sultanate to enter the commercial and strategic storage of crude oil, expand the storage of crude oil and facilitate the movement of distribution around the world in a manner that enhances the government's efforts to diversify the economy.

The establishment of Ras Markaz oil storage terminal will develop this new industry in the Sultanate and create additional outlet for exporting crude oil added to Mina Al Fahal. The Ras Markaz site off the Indian Ocean encourages international companies and many countries in the region to export their oil through Ras Markaz terminal, and it also encourages the consuming countries to use the terminal as a strategic location for their oil reserves.

Reasons for Choosing the Site

Choosing Ras Markaz for the construction of the oil storage terminal was based on a number of reasons, the most important of which is the proximity to the emerging global markets, especially in Asia and Africa, which

A number of project engineers speaking to Duqm Economic Magazine

One of the sites overlooking the top of Ras Markaz where the oil storage terminal will be established

are witnessing steady growth. Another reason was the technical characteristics of the site in terms of natural depth, which is about 32 meters under the sea at a distance less than 5 kilometers from the coastline.

Refinery Sector Development

The area allocated for the Ras Markaz is 1600 hectares. This space allows for the construction of phased crude oil storage facilities, which will allow the development of the refinery and petrochemical sector in the SEZD.

Project Components

The first phase of the project includes the construction of reservoirs with an estimated capacity of approximately 6 million barrels, as well as the construction of floating platforms for the import and export of oil, and submarine pipeline for receiving and exporting oil with a length of 7 km.

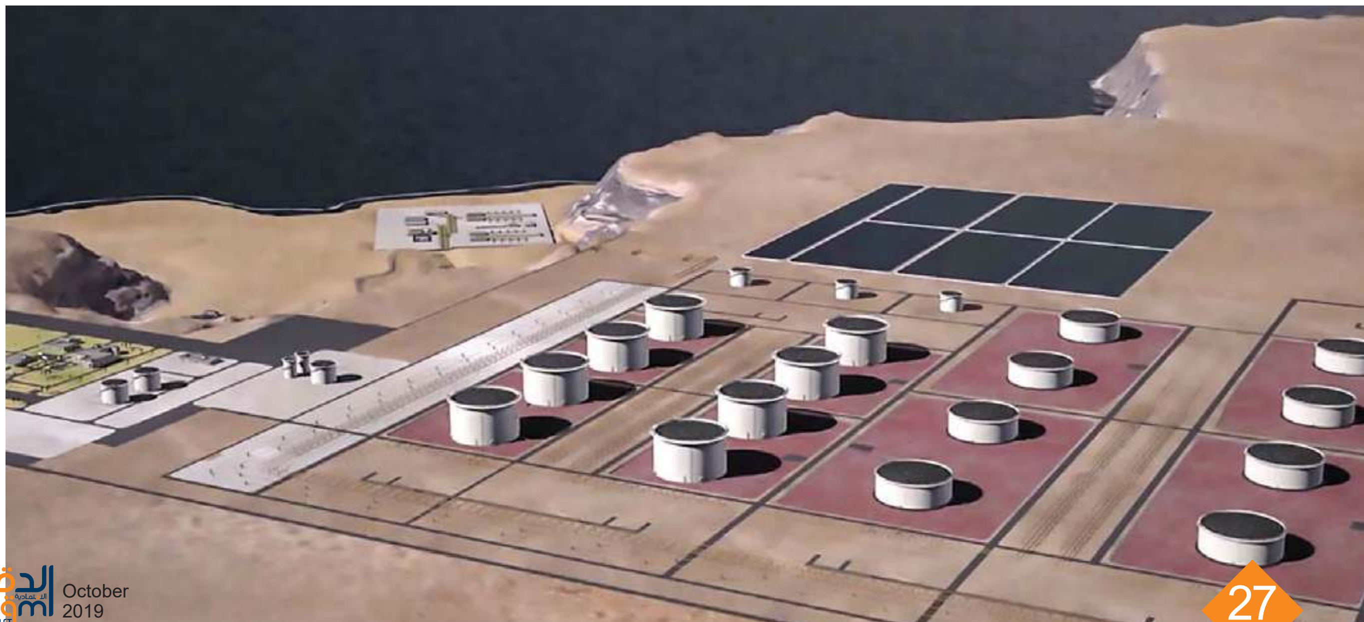
In addition, another station will be constructed to pump oil to the reservoirs. The project also comprises the establishment of control rooms and administrative offices of the company, in addition to other facilities related to security and safety equipment. The technical characteristics of the project enable the mixing of different types of crude oil and the loading and unloading of ships in standard times, allowing customers to save logistics costs, as a competitive advantage.

The terminal includes storage facilities that meet the best international specifications, and is planned to become the largest in the Middle East to serve as an important global hub for the storage of crude oil. Due to the strategic location of Ras Markaz on the Arabian Sea overlooking the Indian Ocean, the terminal will accommodate the needs of logistics markets to facilitate access to and from markets in South Asia, the Far East and Africa, as well as land and sea transportation of producers in the Middle East.

The construction works of Ras Markaz terminal also include the construction of marine facilities for importing and exporting oil, which contributes to provide the needs of the Duqm Refinery of crude oil. These facilities meet the technical needs of different categories of oil tankers, such as Suezmax and Panamax tankers to the giant supertankers (VLCC).

Encouraging consuming countries to use the terminal as a strategic location for their oil reserves

Construction of reservoirs with a capacity of 6 million barrels and floating platforms for the import and export of oil during the first phase of the project



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

Security Storage and Investment in Geography

Saving in the days of prosperity to face difficult days is an inherent character in all beings, individuals, groups and nations and the story of Prophet Yusuf has the greatest inspiration in this regard, which outlines the importance of storage for years after it has been for a maximum year or less.

Firstly, food and drink were the stockpile, and it has now evolved into storing wheat, sugar, oil, currency, gold and even electricity through batteries based on lithium-ion chemistry to use all that when necessary. The social nature of this activity has been changed and storage has become targets that go beyond meeting the direct needs of treasurers. The storage field has been used for sale or resale, secure national orders or orders for an industrial activity in the face of severe internal and external fluctuations, and secure the requirements of friendly countries in accordance with a special balance of transactions. There is also the rental of warehouses and storage space for others…etc.

Since the oil shock during the October 1973 war and the establishment of the International Energy Agency (IEA) in 1974; warehousing has become a major industry, and is governed by assets set by the IEA in terms of minimum oil storage by each country. It has also- and it is quite logical – showed the ability of the world's largest country i.e. America. The phrase "the U.S. Energy Information Administration announced today ..." takes now the attention of investors, markets, consumers and others because the increase or reduction of U.S. inventories of oil and derivative impacts prices, trades, refineries, production and sales decisions in large fields and on countries with large oil exports, or importing countries that are interested in the reduction of prices. It is usually the case following the announcement of increase of U.S. inventories.

Research companies and media networks are now adopting forecasts on the amount of U.S. inventories before announcing them weekly to alert investors and related parties to take whatever measures they see fit before the outcome emerges, indicating the seriousness and importance of this activity.

We have seen a significant impact model in the aftermath of the strikes on two giant oil facilities in Saudi Arabia. Prices rose 20% in the aftermath of this attack, and then quickly declined due to pumping quantities to the market by U.S. oil stocks that happened to be abundant.

Anyone who is aware of the news, knows that the supply and demand in crude markets are now naturally and really affecting prices along with other known factors. I confirm that it is a real impact because it is established for long periods before the global financial and economic crisis 2008 that there is a manipulation in the U.S. inventory data to manipulate prices in favour of the United States and its speculators and oil companies. That is to say that those who are now entering the storage industry will work in a more transparent environment in which the risks of investment are less as well as will work in an environment where there are large geostrategic risks necessitating the increase of storage care. It is known that oil is stored in giant caves or underground tunnels, in tankers at sea or tanks and inside tanks of industrial facilities. This has a separate estimate from the U.S. oil reserve data and is announced simultaneously.

The IEA member countries have about 1.55 billion barrels of government emergency stocks, which is 15 days of total global oil demand. In addition, there are industry stocks, as mentioned, with an aspect that can be made available immediately upon oil shortage. According to specialised websites, the shipment from Ras Tanura (Saudi Arabia) to Singapore takes 19 to 20 days, while it takes 54 days from Houston to Singapore. This point should move us directly to the actual commencement of the Omani project in the Special Economic Zone at Duqm (SEZD), which is being carried out by Oman Tank Terminal Company LLC (OTTCO) for the construction of Ras Markaz oil storage station.

This project will make the zone a global centre for the storage of crude oil and its derivatives taking advantage of the geographical location of the area off the Indian ocean. It is known that the entire project with the necessary construction and equipment on land and at sea consists of three phases that take years of continuous work and more resources will be added whenever needed.

It is noteworthy that with the large dependence of the major industrialised Asian countries such as China, Japan, India and Korea on the Gulf oil; recent events have shown the importance of storage and the extent to which this investment is a profitable business financially, strategically and nationally, which presents more opportunities for Oman due to its unique location. For example, world experts are now demanding India to rapidly develop its storage capacity or face serious risks.

India has recently been able to establish a capacity of 5.3 million tons of strategic oil reserves covering about 10 days of consumption in 2018, but this is still not entirely appropriate and is against the global base of reserves covering 60 to 90 days. It is certain that the decision-makers in Oman looked around or looked at the direction of all of Asia in particular and calculated the total stocks in each country and how many countries can depend on the neighbouring storage capacity, especially in a country like Oman.

No doubt that the inventory levels are affected by OPEC decisions in production, political events, tax policy changes, shipping and transport conditions, as well as natural factors affecting production and hence inventory such as natural disasters or major fires in platforms etc. Therefore, the investor in storage has to open his eyes all the time on a very wide range of developments in different directions.

First of its kind factory in Oman

Construction of Duqm Hongtong Piping Factory Commence

Duqm - الدقم Duqm Economist :

The construction works of Duqm Hongtong Piping factory for manufacturing Reinforced Thermopolyethlene Pipes (RTP) at the Special Economic Zone at Duqm kicked off in September 2019.

To shed light more on this first of its kind project in Oman, SEZAD Economic Magazine interviewed Dr. Shao Longnan, Chairman of Duqm Hongtong Piping. Commenting on the project, he said: "The project marks a fruitful outcome of an Omani-Chinese partnership reflecting on the bilateral relations between both countries. As well, the project is an integral part of the Sino-Omani City in Duqm". He also remarked that the factory is expected to start production in the second quarter of 2020.

Why investing in Duqm?

Commenting on bringing this investment to Duqm, Dr. Shao said: "As Duqm is a promising investment destination in Oman, we have decided to bring our investment here to serve the special economic zone and the oil and gas companies in the nearby concession areas. Besides, for more than 3 years, we have been studying the market, investigating the demand and working on the visibility study of the project before starting the investment. Another good reason to bring our investment in Oman is the prime geographical location of Duqm, close to the GCC and African markets, and the Sultanate's customs agreements with many countries around the world.

Dr. Shao Longnan

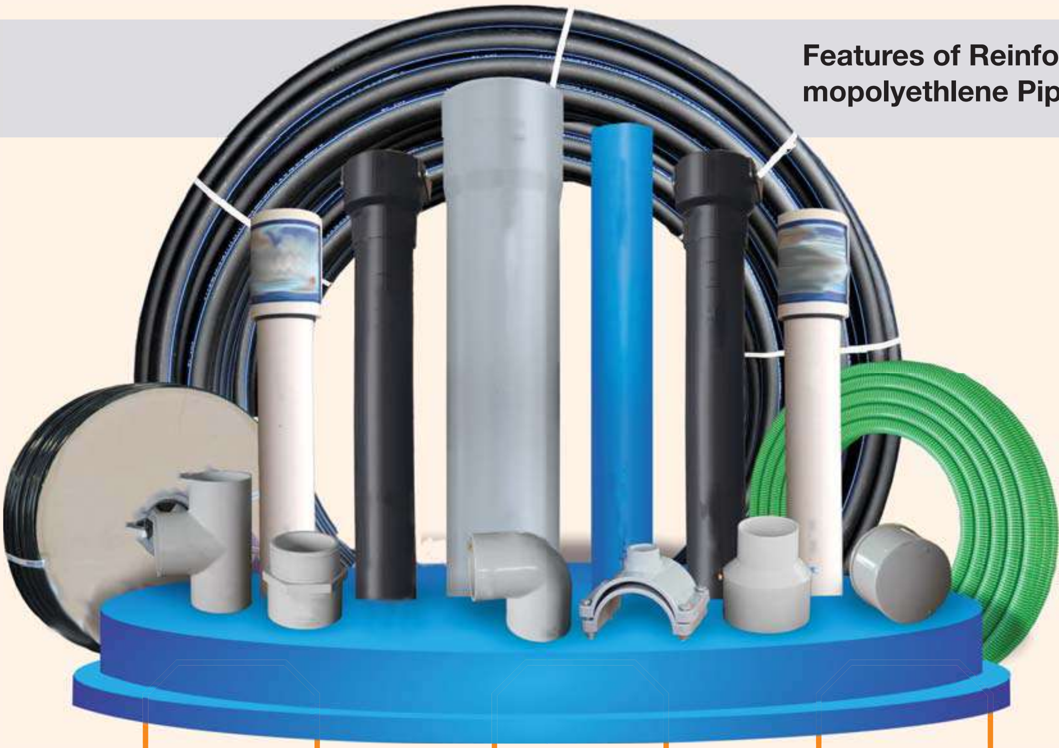
Meeting the demands of oil industry

Through the partnership of establishing Duqm Hongtong Piping Company, SEZD will be hosting the first of its kind project in Oman to produce the non-metallic pipes, which are made of Reinforced Thermopolyethlene. "We are pleased to bring this new technology for manufacturing Reinforced Thermopolyethylene Pipes. It's sense of pride to bring the expertise from China and establish this business which will meet the demand for such heavy-duty pipes in Oman and the region".

Dr. Shao: Introducing this product came in response to the increasing demand in local and international markets for such kind of pipes

The factory is specialized in manufacturing Reinforced Thermopolyethlene Pipes (RTP)

Features of Reinforced Thermopolyethlene Pipes (RTP):



Fast and easy installation time

Corrosion free

Durable

High pressure capability

Cost effective

Uses of Reinforced Thermopolyethlene Pipes:

Oil & Gas services

Water & gas distribution networks

Sewer water networks

Fire piping systems

What distinguishes these pipes is its durability comparing with the normally used metallic pipes. The thermopolyethlene pipes are expected to last for 15 years at least and this is very cost effective solution for many corporates. It's worth mentioning that the final product of these pipes will be manufactured as per the technical specifications accredited by Petroleum Development Oman (PDO) and the American Institute of Petroleum.

The Reinforced Thermopolyethlene Pipes (RTP) could be used for oil and gas industry and specifically for the collection and transfer of hydrocarbon fluids through the piping networks. Besides, other businesses, where pipes are in need, will probably be demanding these types of pipes for their operations.

A further study to provide a new design for Non-Metallic Production Tubing is also considered at a later stage. This product will have a significant impact and expected to contribute in saving effort, operational and maintenance cost as well as bring new production techniques.

High potential demand for the product

Brining up this product to the market came in response to the increasing local and international demand for such kind of pipes. However, at the initial stage, the factory's products will serve the local market, while afterward these Omani-made products will be promoted and supplied to other regional and international markets whenever required.

Built over an area of 60 thousand sqm, the factory is designed to be capable of producing around 1200 km of Reinforced Thermopolyethylene Pipes (RTP) annually with the potential to increase to double. Within a period of 10 to 12 months of construction, the factory is planned to be operational and producing the first batch of products by the second quarter of 2020.

"There is a high potential of demand from corporates for these pipes as it will an alternative solution to reduce the cost of operations by having the local-made products. Shipping the pipes from overseas to the Sultanate is expecting to cost around 40% of the budget required for the operations. However, having the reinforced thermopolyethlene pipes here in Oman will help corporates to save the 40% from the budget" Dr. Shao commented.

More benefits

The project's contribution to Oman's economy and the In Country Value (ICV) goes beyond only brining a foreign investment to the country. However, one of the most important considerations behind this investment is to transfer and exchange technologies and to benefit from the competitive advantages offered by the business environment in the Sultanate.

Since the planning stage, the project has been exchanging knowledge and expertise with a number of local teams from different corporates including the Ministry of Oil and Gas, represented by the In Country Value support team for their endorsement to this project and Petroleum Development Oman represented by the assets integrity management team. Likewise, the In Country Value and Planning team from Occidental Oman has been working closely with the project's team to support overcoming the technical challenges of this unique product.

Contributing to Oman's economy & ICV

Highlighting the plans and initiatives aimed towards supporting Omanis, Dr. Shao stated: "The project will highly contribute to the In Country Value opportunities and support national training objectives and opportunities for Omani job-seekers and businessmen. Before starting our operations, we are planning to send Omani engineers for specialized technical training in China where they get the first-hand experience from our mother company, Hongtong. As a direct contribution to the In Country Value process in the Sultanate, the factory will initially provide around 50 job opportunities in various technical and administrative posts in both Duqm and Muscat".

"Through setting our project, we were able to attract more businesses and projects particularly the ones from China. We have observed the strong interest of Chinese corporates to bring their investments to the Sultanate. A key motive for those corporates to invest in Duqm is the promising future of SEZD and its potential status regionally and internationally" he added.

Around 3 years of studying the market, investigating the demand and working on the visibility study before starting the investment

A further study to provide a new design for Non-Metallic Production Tubing is also considered

Shipping the RTP pipes from overseas to the Sultanate costs around 40% of projects' budget and having them locally produced will be a cost effective solution

Duqm Port offers 2,000 hectares of land to investors in the industrial sector

Hilal Al Balushi
We are keen to market the lands of the industrial zone in various exhibitions in which we participate

There are 10 producing factories and 4 are under construction and we are negotiating with 4 other companies

The products of existing factories are diverse and meet the needs of the economic zone and oil production areas

Duqm - Duqm Economist :

Hilal Al Balushi, Land Commercial Manager at Port of Duqm said, "The industrial zone managed by Duqm Industrial Land Company, which is affiliated to Port of Duqm Company, is witnessing a good turnout from investors in the industrial sector."

Speaking to Duqm Economic Magazine, he said, "The area of industrial land allocated to the port in the SEZD is about 2000 hectares. During the past period, about 125 hectares were levelled and presented to investors who showed good interest in investing due to its proximity to the Port of Duqm. Currently, about 58 hectares have been leased, reflecting the strong demand for investment in the zone both by investors from within the Sultanate and abroad".

Set up Factories

Hilal Al Balushi

Regarding the number of factories set up in the industrial zone of the Port of Duqm, he stated, "There are currently 12 producing factories and 4 factories under construction. In addition, we are negotiating (as of date of the interview in September 2019) with 4 other companies that have expressed interest in investing in the zone".

He explained that there is a diversity in the products of the factories in the industrial zone of the Port including ready-mixed concrete, cement products, and products used in the oil and gas sector, steel manufacturing, Clinker

Grinding Factory in addition to a number of other industries. He stressed that most of the products of the factories meet the needs of the SEZD and oil production areas, and there are other factories exporting their products outside the Sultanate.

Attracting New Companies

On the factories with which Duqm Industrial Land Company negotiates, he commented, "The most prominent factories that we seek to attract operate in the field of ceramic production and glass manufacturing, expecting that an agreement will be reached by early 2020. He pointed out that the attraction of these factories will contribute to enhancing the performance of the medium industries sector in the SEZD.

Increasing Importance for the Industrial Sector

Hilal Al Balushi indicated the economic importance of the factories that are being set up in the SEZD, including the industrial zone allocated for the Port. He said that the industrial sector is of great importance in supporting the national economy, providing job opportunities, exploiting basic raw materials in establishing various industries, raising the economic value of raw materials in addition to providing job opportunities for citizens, activating the logistics sector and a number of other economic sectors and meeting the needs of the region of goods and products.

"The Port of Duqm recognised this importance and therefore we are keen to market the industrial zone land in the various exhibitions in which we participate both in the Sultanate and abroad. We also pay visits to a number of companies inside and outside the Sultanate to encourage them to invest in the zone", he said.

Benefits of the Industrial Zone in the Port

Al Balushi said,"The industrial zone, which is supervised by Duqm Industrial Land Company, has many advantages. It is primarily located in the SEZD, which offers many privileges and incentives to investors, and includes facilities that promote investment in various economic sectors such as Duqm Airport and road network in the zone, hotels and commercial projects that are increasing steadily. The industrial zone is within walking distance from the Port of Duqm, which also offers many privileges to investors, in addition to its location on the world trade road."

He predicted that the coming period will witness a higher demand for investment in the zone, especially after the full commercial operation of the Port of Duqm, which is a key driver of the SEZD, in addition to other projects in the zone such as Duqm Refinery, Petrochemical Industries Complex, Duqm Airport and other industrial projects.

We seek to attract factories working in the field of ceramic production and glass manufacturing

We expect greater investment in the zone after the commercial operation of Port of Duqm

"Industrial Coatings" takes Duqm as a prime location for managing oil and gas pipes lining

Arun P. Desai

CEO said, "Duqm branch is well located near the oil fields"

The region is witnessing a rapid growth and we expect business to increase in the near future

Duqm - الدقم Duqm :

The Omani Industrial Coating Centre said that the opening of a new branch in the SEZD has accelerated the company's business and easily delivered its orders to oil and gas fields to comply with the contracts it signed with Petroleum Development Oman (PDO), one of its largest customers in the Sultanate.

The Omani Industrial Coating Centre works in the field of pipe lining and coating from inside and outside and adapting them according to the needs of oil and gas companies, so that the materials used in the lining and coating of pipes extend the life of the pipes and increase their quality. The company manages its operations in Duqm from its location in the industrial zone of Port of Duqm.

The Duqm branch is the latest branch of the company that was founded 40 years ago Arun P. Desai, CEO of the company, said that this branch is the third branch of the company after its two branches in Sohar and Nizwa specializing in metal processing and coating. It was established to meet the demands of companies operating in the oil and gas sector near Duqm.

He told Duqm Economic Magazine that the new branch, which started its operations in the middle of last year, occupies a good position in the center of the Sultanate near the oil fields. It also occupies a privileged position near the port of Duqm and the refinery.

The area allocated to the company in the industrial zone in the Port of Duqm is 3 hectares. Arun P. Desai said that the company will soon expand its operations due to the increase in its work to allocate the current site for lining and coating of pipes used in oil wells, while it allocates another site for other pipes placed deep underground at about one meter.

He also pointed out the possibilities available in the SEZD, and said that the region is witnessing a rapid growth and business development, expecting the pace of business to increase in the region in the near future.

Majid Al Sinani recounts to Duqm Economist the success story of Modern Sardine Fish Company:

We started commercial operation a year ago and today our products reach more than 12 countries

Saleh Al Mamari visited the factory

Fisheries wealth is one of the most important tributaries of the national economy after oil. Al Wusta is one of the most productive governorates of the Sultanate. Due to the large stocks of fishes in the SEZD, the government has been keen to establish a fishing harbor and a fishery industry zone to increase the economic value of the fisheries wealth in SEZD.

Currently, the Duqm Fisheries Industrial Zone is witnessing a good growth in the number of factories investing in the zone. The sardine modern fish factory is one of these factories that has successfully made its way to invest in this vital sector. "Duqm Economist Magazine" paid a visit to the factory to see its prominent works and listen to its success story as narrated by Majid bin Sultan Al Sinani, an Omani partner in the Modern Sardine Company, reviewing the company's success after a year of starting commercial operation.

The factory is the largest of its kind in the Sultanate and can accommodate 120 metric tons per day

We have made numerous visits to outside Oman to get acquainted with the international experiences and employ them in the factory

We are dealing with more than ten types of fish… Fishermen are our partners in the business

International Standards

In the beginning, Majid bin Sultan Al Sinani gave us an overview of the security and safety procedures and the directions in the corridors of the factory. He said, “We started commercial operation on August 22, 2018, and now we have completed more than a year of production”.

He added, “The factory is located on an area of 8000 square meters, while the built-up area with control rooms is 2700 square meters. The construction of the factory did not take long time, but we took a long time in planning it with intensive visits to a number of countries around the world to get acquainted with similar experiences. The equipment has been brought from many countries and is of international standards through which we can accommodate large quantities of fish products, whether in the field of freezing fish or packaging.”

On the way to his office in the factory, Al Sinani said that the cost of the project was RO 1.2 million; the cost of equipment was about 60% and the cost of the building was 40%, and we have about 70 workers, including 10 Omanis working in the factory, and we consider fishermen as our business partners.

Export

Al Sinani during our touring indicated the types of fish products issued by the factory, saying, “There is a diversity of fish products and we have the potential to export different types of fresh and frozen fish after packaging, and we are currently dealing with more than ten types of fish.”

He added, “The products of the factory target the local and overseas markets. In the local markets, we have a demand for our products in the markets of Duqm, Muscat, Nizwa, Salalah and some large restaurants, and we are seeking to win contracts to provide fish to some civil and military authorities in the Sultanate.”

In overseas markets, there is demand for our products in many countries, and the number of countries to which we export our products is more than 12 countries, including the United Arab Emirates, Saudi Arabia, Vietnam, Turkey, China, Thailand, Brazil, Korea, Sri Lanka, Tunisia, Malaysia and Singapore, and our products are exported by sea through the ports of Salalah and Sohar.

Fresh Fish

During our stay at the factory, we saw many fresh fish brought by fishermen to the factory. Al Sinani while checking the fish as they reach the production line, said, “We buy fresh fish from the fishermen and weigh them and pay for them immediately after the unloading.”

The products of the factory target the local and overseas markets and we look forward to winning contracts from government agencies

He added that the types produced by the factory depends on supply and demand. We have many types of fish such as tuna, salad, emperor, squid, sardine, spotted leatherskin, Redtail Scad, mullet and other species depending on the fishing season.

Largest factories in the Sultanate

Al Sinani said that the modern sardine factory is one of the largest factories in the Sultanate and can accommodate about 120 metric tons per day. We have refrigerated containers with a capacity of 700 tons and are equipped and prepared for reception and export.

Majid bin Sultan Al Sinani opened one of the factory's portfolios, a large cooling room with a temperature of 40 degrees below zero. The factory contains many cold rooms that keep fish with different types and weights and are packed with boxes bearing the factory logo and product details.

After that, we were briefed on the product arrangement room. A number of workers were lined up around the production line, who worked quickly and perfectly in the fish packaging, weighing, arranging them in boxes and processing them before entering them into the cold rooms again. Majid Al Sinani said, "We often receive fish in the evening, and currently we have extended working hours due to increased unloading during this period."

Future of the Fisheries Industries

On the future of fisheries industry, Majid bin Sultan Al Sinani said that the fisheries sector is promising and efforts should be united to support and assist the Omani companies working in it and overcome the challenges they face, especially in the field of services, manpower and marketing.

He added, "We are looking through our presence in the Fisheries Industrial Zone in Duqm and close to the fishing harbor, to develop our operations and reduce our operating expenses due to the high cost of export and with the operation of the fishing harbor in Duqm in the near future, I expect the export cost to be reduced by 15% to 40%."

Factory Strategic Plan

At the end of the visit, Al Sinani pointed out that the Modern Sardine Company is continuing its plans to develop and expand in the fisheries sector. He said that the meetings with officials of the SEZAD and Tatweer Duqm Company are continuing and promising, stressing that the investment in this sector is promising. He also pointed out that the company intends to invest in an ice production factory in the fishing harbor in Duqm to produce ice molds and powder in order to provide fishing vessels with the quantities required to preserve fish.

We have the potential to export various types of fresh and frozen fish after canning

Operation of fishing harbor will reduce export cost by up to 40%

Investment in the fisheries sector is promising and we plan to set up an ice factory

Raysut Industrial City.. Largest cluster for flour products in the Sultanate

Total investments of OMR 422.3 million and over 200 projects

Executing a new infrastructure development project at a cost of OMR 4 million

Existing projects invest in food, pharmaceutical, gypsum and cement products

Specialized labs for products' prior and post production check-up

Salalah - Duqm :

Raysut Industrial City, an industrial city pertaining to the Public Establishment for Industrial Estates – Madayn, is witnessing a growing investment activity as around 32 investment applications of industrial, commercial and service activities were received during the first half of 2019. Among these applications, 9 projects have already been localised. The study and analysis process of the remaining applications is underway before contracts get signed. Moreover, many of the existing projects at Raysut Industrial City have received additional space and they are currently working to expand their businesses and introduce new production lines.

By the end of 2018, the total investment volume at Raysut Industrial City has touched RO 422,368,159. There are current indicators that shall increase this number further taking into consideration the expansion of the operating companies and factories in terms of space, production lines and capital.

Developing infrastructure

Madayn is currently implementing the infrastructure development project of Raysut Industrial City (Raysut 2), which is estimated at a total cost of RO 4 million and is being built on a land area of one million square meters. The project includes the establishment of an integrated network of roads, pavements and drainage network of 7.9 km; in addition to water network of up to 8.3 km that includes irrigation systems. The project also incorporates communication and gas networks, and wastewater treatment plant with a capacity of 1,000 m3 per day. The project, which is expected to be completed by the end of 2020, shall take into account the use of advanced technologies used for lighting, networks and service system.

Different industries

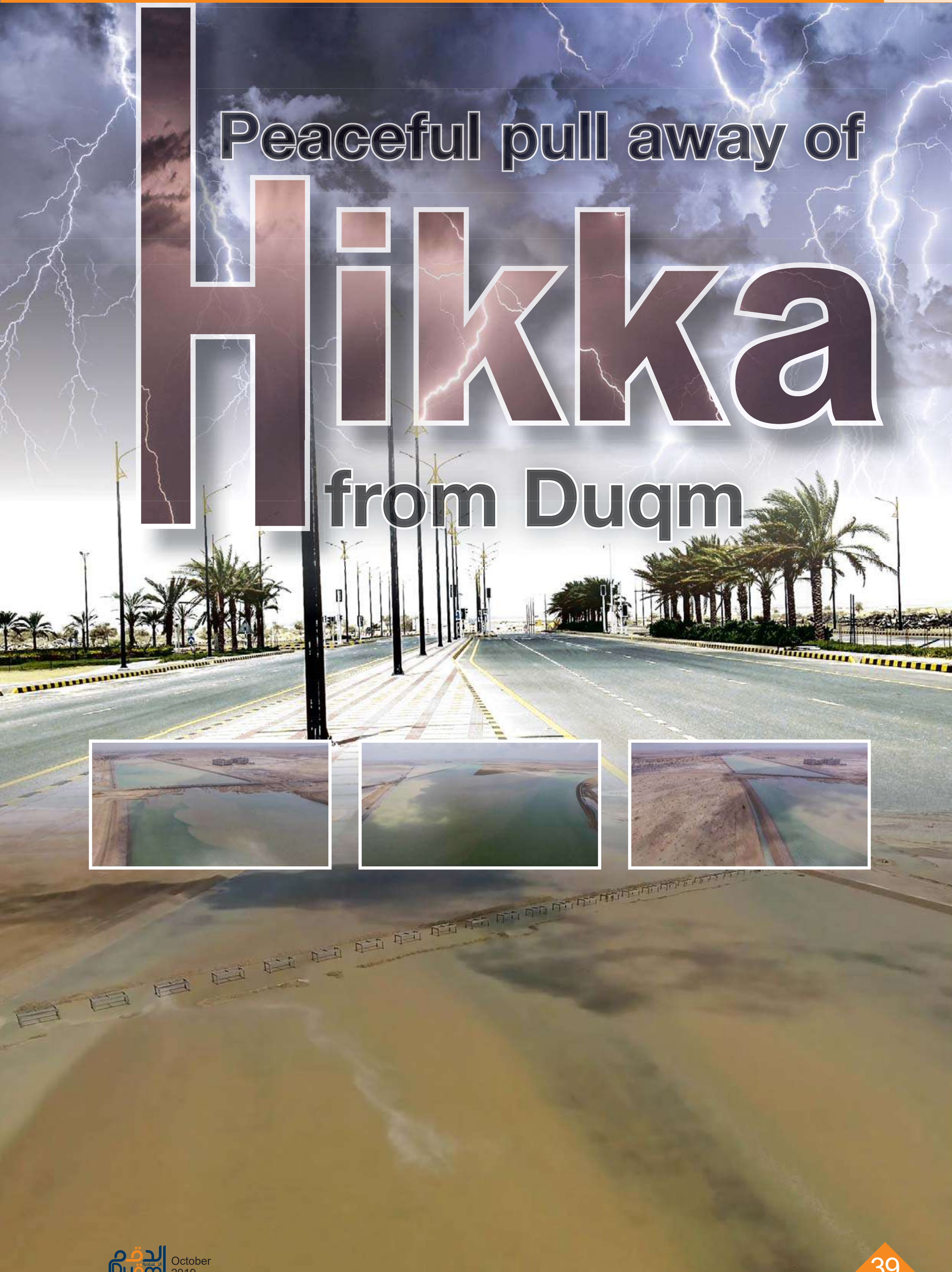
The number of projects in Raysut Industrial City stood at 202 by the end of 2018, of which 105 were productive projects, 50 projects were allotted with space, and 47 were under construction during that period. It should be noted that a variety of industries are currently localised at Raysut Industrial City. These include food industry such as flour, semolina and their derivatives; vegetable oils and their derivatives; among others. There are also various pharmaceutical industries and medical supplies in the industrial city, in addition to plastic, engineering, electricity, gypsum and cement industries.

The ideal location of Raysut Industrial City in Dhofar Governorate gives it an access to the Gulf area, and Yemeni and African markets. Madayn offers a lineup of incentives and facilities to the investors in its various industrial cities, which include Raysut Industrial City. These incentives comprise exemption from tax on net profit for a period of five years for industrial projects; exemption from customs duties and taxes on production inputs; provision of developed and equipped lands with basic services (water, electricity, telecom, roads); commitment to specific time periods to respond to service delivery; 24/7 operation possible in Madayn's cities; participation in local and international exhibition as part of Made in Oman campaign; participation in the events held by Madayn; cooperation from government bodies through Masar Investment Window; lease period of lands and facilities for up to 30 years, renewable for the same period; right to sell constructions and buildings on the leased land; right to lease the buildings and facilities built on the leased lands by investors; right to involve new partners in the lease contract; and fair evaluation of buildings and facilities upon the termination of the lease contract.

Raysut Industrial City, likewise the rest of the industrial cities pertaining to Madayn, aims at achieving objectives and strategies that support to achieve comprehensive and sustainable development in Dhofar Governorate in particular. This shall gets achieved through focusing on diversifying sources of national income, contributing to the national economy, providing job opportunities for the national cadres, enhancing a trading environment with foreign markets, and taking advantage of the presence of strategic and major projects in Dhofar such as Port of Salalah and Salalah International Airport. It is worth mentioning that when Raysut Industrial City was inaugurated in 1992, its space was approximately one million sqm at that time. By the end of 2018, the total space stood at 3,810,479 sqm.


Infrastructure development project in progress

Peaceful pull away of Hikka from Duqm



Duqm infrastructure projects passed tough experience with Hikka


SEZAD's Chairman being briefed on water stored by Jurf Dam and drained by canals

SEZAD's Chairman commends efforts made to handle impacts

Undersecretary of Ports and Maritime Affairs: Port of Duqm and dry dock were saved by SEZD's protection system

Duqm - الدقم Duqm Economist :

The Special Economic Zone Authority at Duqm (SEZAD) confirmed that the infrastructure projects at Duqm were not affected by the tropical cyclone Hikka, which hit Duqm on Tuesday, 24th of September, and resulted in heavy rainfall of 116 mm, according to the monitoring station in Duqm.

His Excellency, Yahya bin Said Al Jabri, Chairman of the Special Economic Zone Authority at Duqm (SEZAD) expressed his appreciation to the efforts extended by the employees of SEZAD, Royal Oman Police, Wali Office of Duqm and companies operating in the Zone to deal with impacts of tropical cyclone, Hikka. He also commended all the joint efforts made to deal with such diverse weather condition and manage the damages caused by the cyclone in order to bring life to normal.

During the visit on which he was a companied by His Excellency Said bin Hamdoon Al Harthi, Undersecretary of Ports and Maritime Affairs at the Ministry of Transport, Chairman of SEZAD was toured around the dams, water drainage canals, Duqm Refinery, Duqm Port and a number of other projects in the Zone.

The project engineers briefed their excellences on the protection system established by SEZAD to protect the economic zone in Duqm, especially during such diverse weath-


A vessel docking at Port of Duqm commercial berth during tropical cyclone

One of the main roads in SEZD next morning post Hikka

er conditions. The efficiently built system consists of two dams, namely Wadi Saay Dam and Wadi Jurf Dam, and three water drainage canals.

Protecting port and dry dock from wadies

On the other side, His Excellency Said bin Hamdoon Al Harthi, Undersecretary of Ports and Maritime Affairs at the Ministry of Transport, confirmed that the protection system at the Special Economic Zone at Duqm served as a real protection for the Port of Duqm and the dry dock from the floods of wadies.

"The potential risks, which could affect the port, dry dock and other projects, have been reviewed and flood of wadies was the main one. There were 17 vessels docked during the cyclone at Port of Duqm, which provided shelter for 50 fishing vessels", Al Harthi stated.

Infrastructure projects are not affected

In this regard, Dr. Ismail bin Ahmed Al Balushi, Acting Chief Executive Officer of SEZAD, said that the Port of Duqm, Dry Dock, Duqm Airport, tourism projects and main roads were not affected by the heavy rain and winds. He also confirmed that the dams built by SEZAD held huge amount of water, which has been afterward absorbed by the drainage channels and smoothly drained into the sea. Therefore, all other infrastructure projects at the Special Economic Zone were protected by these dams.

Life is back to normal

Upon his site visit, Dr. Ismail bin Ahmed Al Balushi pointed out that the port, dry dock resumed their full operations in the next morning. Likewise, employees at the Port of Duqm, dry dock and other projects reported to office the next day after the cyclone.

Precautionary efforts prior cyclone

Dr. Al Balushi shed light on the tremendous efforts and the awareness campaign, which were successfully brought together by the Emergency Response Team, the Wali of Duqm and other government bodies since the initial announcement of the tropical cyclone. Such joint forces highly contributed to save lives of residents and workers at Duqm as sites have been evacuated before the cyclone starts.

Acting CEO of SEZAD: Port of Duqm, dry dock, airport and road network were not affected by heavy rains and winds

Port of Duqm and dry dock resumed to work next morning

Sites were evacuated before the tropical cyclone starts

Port of Duqm served as shelter for 50 fishing vessels during tropical cyclone

A group of vessels at dry dock

ODC proves its efficiency during climatic conditions

A vessel berthing at dry dock during cyclone

Activating the contingency plan as soon as the tropical weather warning

Securing cranes and ships and setting up precautionary procedures in storage and treatment sites

Focus on the safety of employees and property and evacuate the work from all except the emergency team

Duqm - الدقم Duqm :

Oman Drydock Company (ODC) confirmed that all the facilities of the dock and the ships that were setting in it were not affected by cyclone Hikka, noting that the number of ships that were anchored in the dock on the night of the cyclone reached 15 ships. It explained that businesses opened normally the day after the cyclone.

Dr. Abdul Salam Ambusaidi, Manager of HSSE Department, said that the company activated the emergency plan for weather conditions immediately after the issuance of the first bulletins warning of the arrival of a tropical condition from the Arabian Sea and the possibility of its heading to the coasts of the Sultanate.

He explained that the emergency plan that was implemented included taking proactive steps to cope with the cyclone and working to ensure the safety of employees of the company firstly and then the safety of properties. He pointed out that the shipyard was secured from all except emergency team consisting of HSSE Department and some production departments. Cranes, ships, workshops and other facilities were provided to minimize damage. Efforts have been made to reduce the environmental impact through the establishment of precautionary measures in waste treatment and storage sites.

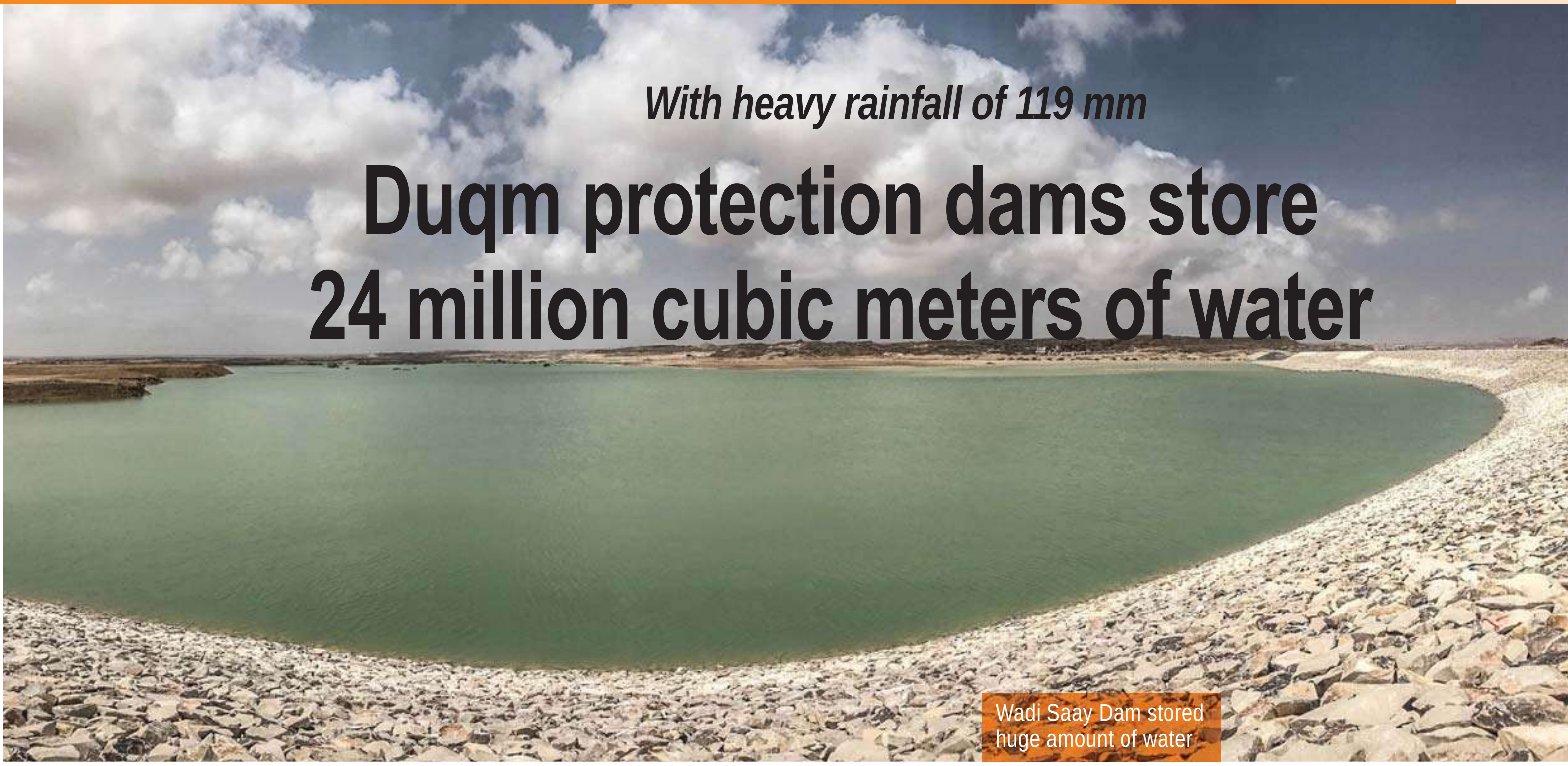
For his part, Khalfan Al Ruqaishi, Acting General Manager of Production, said that the company has formed a team to secure the ships in the docks by adding the number of ropes tying the ships to keep the ships in their state during the passage of the tropical storm.

Majid Al Hosani, Manager Production Support said, "After receiving the report from the concerned departments, we secured utilities, removed cranes and cut off the main power at the station.".

Dr. Abdul Salam Ambusaidi

Khalfan Al Ruqaishi

Majid Al Hosani



With heavy rainfall of 119 mm

Duqm protection dams store 24 million cubic meters of water

Wadi Saay Dam stored huge amount of water

Duqm - Duqm Economist :

Wadi Jurf Dam

The protection dams built in the Special Economic Zone at Duqm (SEZD) stored about 24 million cubic meters of water after the tropical cyclone, Hikka. The amount of rainfall in Duqm during the tropical cyclone, Hikka, was 119 mm. The Wadi Jurf dam stored 16,000 million cubic meters of water, while the Wadi Saay dam stored about 8 million cubic meters, and the dam lakes are designed to store about 50 million cubic meters of water.

Establishing the protection system comes as part of SEZAD's efforts to provide maximum protection to the Special Economic Zone from floods and such diverse weather conditions. The system is aimed at protecting major projects under construction in the Zone including Port of Duqm, Dry Dock, Duqm Refinery and other projects too.

The height of the Wadi Jurf dam is about 19.4 meters and extends for 1600 meters while its width at the base is about 100 meters and its thickness increases as it rises to reach 8 meters at the end. Its lake has a storage capacity of 32.8 million cubic meters of flood and wadi water.

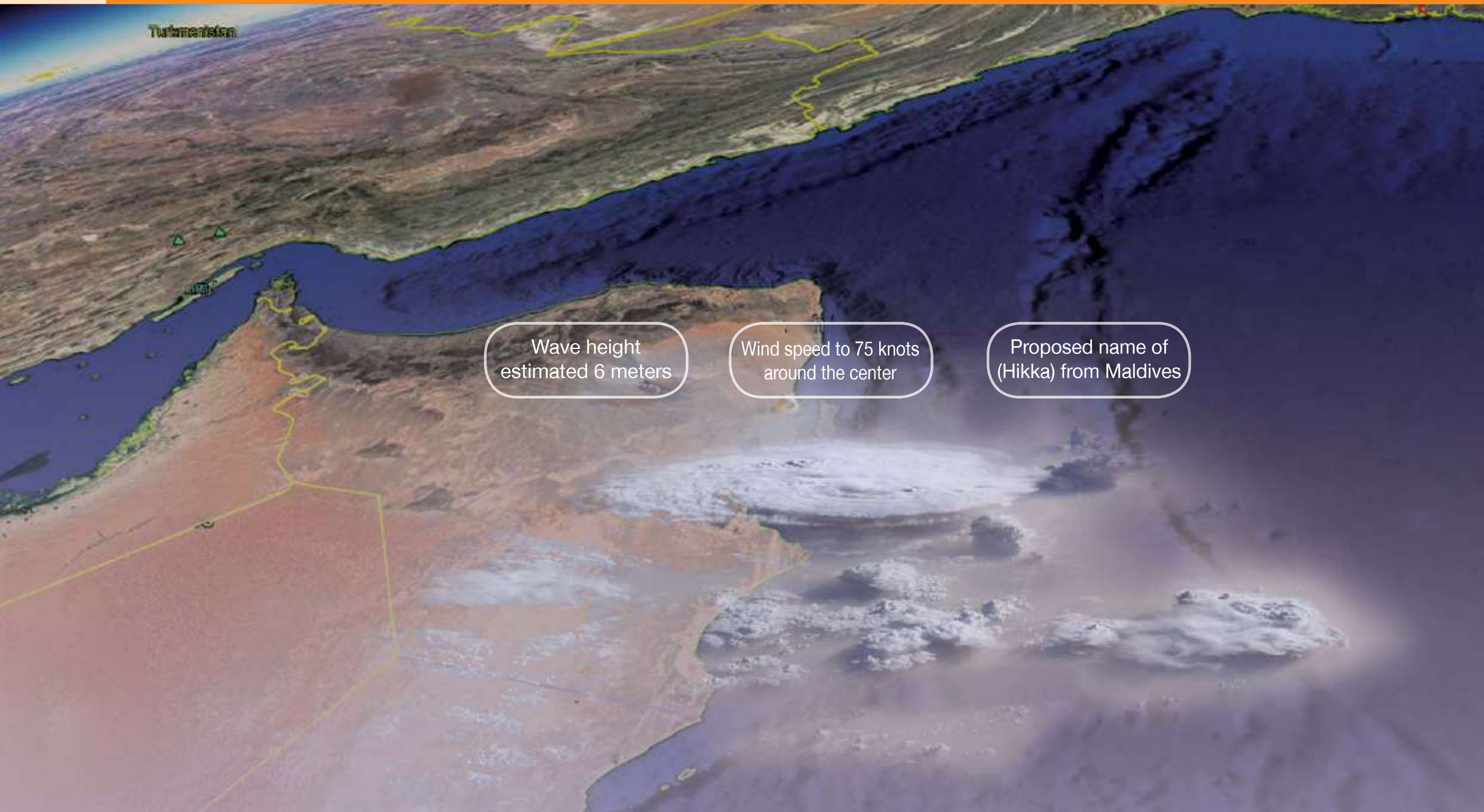
The Wadi Saay Dam is 16.4 meters high, 3,665 meters long and 100 meters wide. The dam accommodates about 17 million cubic meters of water in case of wadi surface runoff.

On top of that, SEZAD has also established three canals for the safe discharge of water into the sea. Besides, at the planning stage, it has been taken into consideration the tracking of the original routes of the canals and the collection of rainwater from the secondary canals in a way that does not affect the plan of the economic zone.

Lakes of the dams are designed to store about 50 million cubic meters of water

SEZAD provides maximum protection to major projects at the Zone

Three canals to safely discharge water into the sea with consideration to track original routes of wadies



Passing 900 km within two days

"Hikka" rapidly evolves from depression to a cyclone of category 1

Duqm - Duqm Economist :

The journey of tropical cyclone "Hikka" did not take long to reach the Sultanate. On Friday, 20 September, a low depression zone started at the East of the Arabian Sea and continued until September 22 nearby the Indian coast and it is 900 km away from the Wilayat of Masirah. It was not long time until the depression moved towards becoming a cyclone of category 1, with a direct impact on different wilayats in the Sultanate.

Duqm Economic Magazine sheds light on the key phases of this diverse weather condition according to the data released by the Public Authority for Civil Aviation:

20 September 2019- 1:37 pm

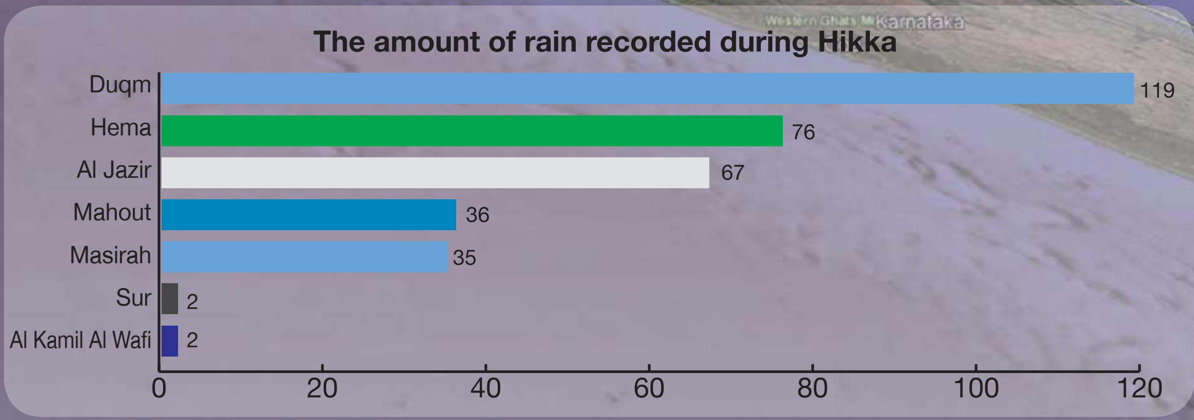
Spotting a low depression zone at the East of Arabian Sea and might move to become a deep tropical depression.

22 September 2019- 12:00 pm /afternoon

Latest numerical weather prediction indicates westerly to northwesterly movement of the tropical depression towards central of Arabian Sea with a probability of further intensification into a deep depression within the coming 24 hours. The depression is about 15 km away from the Indian coast (Gujarat) and a round 900 km from the closest point of the Sultanate coast (Masirah).

22 September 2019- 11:00 pm / evening

Development of the depression over



Arabian Sea to a deep depression located over Central Arabian Sea with estimated surface wind speed around the center between (50 – 60 km/hr). The depression is about 870 km away from Masirah Island.

Numerical Weather predictions indicate gradual weakening of the depression while approaching the coastal areas of the Sultanate. It is also expected that Governorates of Southern Al Sharqiya and Al Wusta to be affected by the direct impact of the depression beginning from 24th September 2019 associated with isolated heavy rain with amount ranges between 30 – 60 millimeters.

23 September 2019- 10:00 am

Development of the deep tropical depression to a tropical storm called “Hikka”. The estimated surface wind speed around the center is between (63 – 74 km/hr) with the storm’s center is about 760 km away from the Sultanate’s coasts.

23 September 2019- 11:00 pm

The tropical storm continues to move westward towards the coasts of Al Sharqiya and Al Wusta Governorates. The direct effects over the Governorates will be starting from tomorrow afternoon, 24 September 2019, which will be associated with heavy rain ranging between 50 -80 millimeters. The estimated surface wind speed around the center is between (83 – 100 km/hr) with the storm’s center is about 420 km away from the Masirah Island.

24 September 2019- 08:00 am

The National Multi Hazards Early Warning Center announces the development of the tropical storm to become a cyclone of category 1 with estimated surface wind speed around the center between (120 – 130 km/hr).

24 September 2019- 11:00 am

The tropical cyclone “Hikka” is around 80 km from the Wilayat of Masirah Multi Hazards Early Warning Center announced the development of the tropical storm to become a cyclone of category 1 with estimated surface wind speed around the center between (120 – 130 km/hr). The landfall is expected to be between Masirah Island and Ras Madraka today between 3 -7 pm with heavy to very heavy rains. The amount of rainfall ranges between 60 – 100 millimeters.

24 September 2019- 05:00 pm

The tropical cyclone “Hikka” is located over western of Arabian Sea and it is about 20 km from the coast of Duqm. The estimated surface wind speed around the center is around (190km/hr) with the amount of rainfall ranges between 60 – 100 millimeters.

24 September 2019- 06:25 pm

The weather station of Duqm Airport has recorded at 06:25pm a mean wind of 96 km and gusting of 124 km associated with heavy rain as the tropical cyclone is approaches coasts of Al Wusta Governorate.

24 September 2019- 08:37 pm

The tropical cyclone “Hikka” has downgraded to tropical storm with surface win speed around the center ranges between 83 – 100 km.

25 September 2019- 05:00 pm

The National Multi Hazards Early Warning Center declares that the direct effects of the tropical storm are over. However, the latest weather charts analysis and satellite images indicate the continuation of indirect effects of the tropical storm over Governorates of Al Wusta and Dhofar and Al Hajar Mountains with chance of isolated rain.

Before the Cyclone

Since the announcement of the diverse weather condition, SEZAD has taken all necessary precautionary measures required in such conditions. The contractors have been met and informed of the expected weather condition and advised to evacuate work sites when the weather gets worse. On 25 September, all unsafe sites, including the dry dock, Port of Duqm, and the staff accommodations near the valleys, that are not built with fixed materials, were evacuated.

After the Cyclone

September 27: The Public Authority for Water "Diam" managed to repair the main water supply pipeline to Duqm, which was affected by floods and valleys during the cyclone Hikka.
The work was completed jointly between the SEZAD, Tatweer and Duqm Quarries Company. The repair works took around 22 hours and water was pumped to the main reservoirs that feed Duqm from Friday evening (28 September).

28 September: SEZAD in cooperation with Tatweer, Duqm Quarries Company and a number of other companies operating in the area carried out an extensive clean-up campaign in which more than 100 equipment were used to clean the main roads after the cyclone Hikka hit Duqm.

September 29: Repair of the road leading to the Chinese Industrial City was completed in cooperation with a number of companies operating in the economic zone.

Raysut Cement to build $30 million cement grinding unit in Duqm

Duqm - :

Raysut Cement Company announced its new investment of US$30 million for building a new grinding unit in the Special Economic Zone at Duqm (SEZD).

The company signed in September 2019 a land lease agreement to build the new grinding unit and Port of Terminal services agreement with Port of Duqm Company SAOC.

Joey Ghose, Chief Executive Officer of Raysut Cement Company, said “Duqm plant is being set up as part of the company’s aggressive expansion strategy in the local and regional markets. Once completed, the new grinding unit will add another 1 million tonnes to its current capacity with the annual output reaching 7.4 million tonnes”.

Muna Al Shukailiya CEO of Tawasul

Duqm - :

The Board of Directors of Tawasul Foundation at The Special Economic Zone at Duqm (SEZD) has appointed Muna bint Said bin Abdullah Al Shukailiya as Chief Executive Officer of Tawasul. Muna Al Shukailiya has more than 20 years of experience in the fields of social investment, business management and external affairs. Over the past years, she has also held leadership positions in oil and gas companies and entrepreneurship institutions. Recently, she served as the General Manager of External Relations and Social Investment at Shell Development Oman.

Tawasul is a development foundation established by the Special Economic Zone Authority at Duqm (SEZAD) in 2018 in partnership with a number of active community service organizations; Duqm Refinery & Petrochemical Industries Company LLC, Oman Company for the Development of the Special Economic Zone at Duqm (Tatweer), Port of Duqm Company SAOC (PDC), Oman Drydock Company, Oman Airports Management Company SAOC (OAMC), Sebacic Oman SAOC and Nahdat Al Duqm Holding Group. Tawasul was established to implement sustainable community projects that serve local communities in Duqm in particular and Al Wusta Governorate in general.

Traffic Safety Village Event attracts school students in Duqm

Duqm - :

Oman Oil Marketing Company (OOC), in cooperation with the SEZAD and Duqm Schools, organized in September 2019 the Traffic Safety Village event which targeted school students aged 5 to 9 years.

The event was organized to raise awareness among school students about the best practices for safe driving, to introduce traffic laws and to instill these practices among students to serve as a nucleus for spreading safe traffic culture in the future.

The students were impressed by the event, the driving experience and the license.

Role of Sea Ports in the Development of National Exports

Dr. Ayman Al Nahrawi

Lecturer of Transport Management and Economics,

International Trade and Logistics

Economic Adviser for The Union of Arab Sea Ports

Dr.ayman.nahr@gmail.com

The trade balance is an important economic indicator and its importance lies in the analysis of its components and not in its absolute value. Trade surplus occurs when the total value of exports is greater than the total value of imports. The trade balance deficit occurs when the total value of imports is greater than the total value of exports. The deficit in a country's trade balance reveals weaknesses in the structure of its economy, and the lack of its productive capacity to meet the needs of its citizens compelling it to import from overseas to meet these needs.

The quality of imported products and goods reveals the nature of the productive structure existing in a country's economy. Importing food shows that food production in that country is insufficient to meet food security requirements. Importing machinery, equipment and devices reveals deficiencies in its industry or the inability to manufacture them. The risks of a persistent trade balance deficit lie in reducing the country's foreign exchange reserves and leading to external debt exposure. The deficit also leads to the depreciation of the national currency and purchasing power, which could cause economic and social crises.

A number of economists believe that the trade deficit does not have a severe negative impact on the economy. For example, if there is a prosperity in the state economy, increased imports can be a catalyst to meet the society's demand for products and goods that are not offered by the country's productive structure. It can also bring the introduction of market competition and prices between domestic and foreign products. But many countries generally prefer to increase their exports to create as many local jobs as possible and increase demand for local products and services in the country.

Importance of Exports to the Economy

Therefore, exports as a component of international trade confront the other component which is imports. Exports and imports together constitute a country's trade balance. When the value of a country's exports exceeds the value of its imports, it has a trade surplus. Therefore, most countries seek to increase their exports. The more they export, the more competitive advantage will be. These countries gain experience in the production of goods and services, and gain knowledge and experience on how to sell to foreign markets. Governments also encourage exports because they increase employment, achieve higher wages and raise the standard of living of the population. Exports also increase foreign exchange reserves, especially from international hard currency such as the Dollar and the Euro.

The most important method for reducing the trade deficit or surplus is to increase trade protection and impose custom duties, tariffs and import taxes, making it more expensive in the local markets than the locally produced ones. Another method is the governments' assistance to national industries to reduce product prices and follow the strategy of trade agreements to promote exports and increase exports by reducing the external value of the state currency in order to reduce the prices of goods exported from them.

Exports and Global Competition

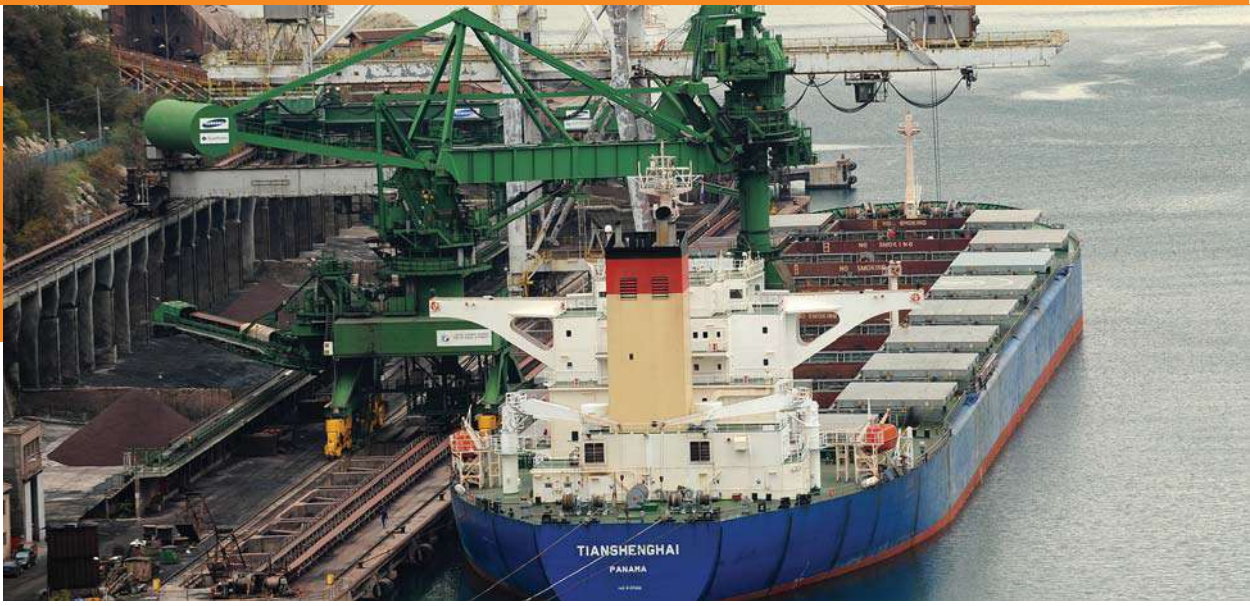
The aggressive global competition and geographical expansion of markets have forced producers to focus on production and transportation logistics in order to reduce costs and thus be able to sell at competitive prices, while at the same time, trying to provide services, at a high level of quality. Thus, a secure and competitive global logistics system, where sea ports are the cornerstone, can greatly serve this purpose and thus promote and stimulate trade opportunities at all local, regional and global levels.

The degree of competitiveness of goods in international trade is largely governed by a number of factors, including the combination of transport and distribution costs. These include, for example, the costs of transport operations, the cost of transport time, the importance of the time factor in the delivery of goods, the safety of goods, and uncertainty factors, each of which is important and constitutes weight varies depending on the type of goods and the surrounding conditions.

It can be determined that the costs associated with the physical transport of international trade goods represent an important part of the information associated with the bargaining and negotiation process in international trade. In order to maintain the competitiveness of goods, the merchant must reach the lowest possible cost level. Achieving this level allows the businessman to determine the appropriate profit margin for the competitiveness of his goods against competing goods by setting a competitive price attracting customers and achieving a high level of sales and thus more profit.

Thus, a missed sales opportunity as a result of production delays or goods are not yet ready or unavailable, highlights the importance of this rigorous production and transportation system in achieving good quality and low-cost service.

The safety of goods is also an important element. Any loss, damage or mis-packaging can re-



sult in severe damage to the goods and disruption of the delivery schedule and therefore material and intangible costs imposed on the original cost. If we assumed there is an exporter exporting goods according to C.I.F condition, the additional cost of unscheduled or transit storage can consume more time and money and thus reduce the profit margin as the seller has to cover all costs related to transportation to the port of discharge.

Ports, Exports and Transport Logistics

Transport logistics also mean the integration of transport with other activities related to the movement of materials and goods such as inventory management, packaging, branding, insurance, banking and documentary processes, which ultimately improve service, increase quality and reduce costs because it achieves and ensures important elements such as flexibility, speed and credibility.

Flexibility as transport logistics must be aligned and changed with multiple and successive changes in market demand. Speed as time savings mean low cost of time and arrival of goods on time. Credibility and security reduce the risk of slow or timing of supply and distribution and thus, reducing the need for a huge volume of reserve stock.

The success of the sea port is based on the availability of a high comparative advantage either in productivity of services associated with the handling of goods or the provision of high value-added services or both of them. It is well-known that the comparative advantage in goods handling services relates mainly to two elements: cost and time. These two elements are related to economies of scale; the larger the port infrastructure and related equipment, the more volatile vessels and the lower the cost of transport and handling of the movable unit of cargo, especially for container and bulk cargo, as they represent the highest percentage of goods handled in most seaports.

Role of Sea Ports

It is known that the maritime transport industry is witnessing continuous development based on economies of scale based on the speed and safety achieved through:

• Establishment of Modern Sea Ports

The continuing development at sea ports is inevitable if the goal is to attract more maritime transport lines to a major port that serves container and cargo traffic.

• Development of Maritime Facilities

Through the horizontal expansion of the port facilities linking them to the adjacent industrial zones and the completion of the facilities of the logistics centers such as warehouses, collection, distribution and containment areas, etc. Vertical expansion in the development of equipment and machinery used with a focus on the development of operating systems using modern technologies.

• Establishment of Logistics Centers

This is one of the main pillars in logistics development and it is important to select the appropriate locations for these centers on the basis that they must be linked to the internal transport networks as well as to sea ports.

• Connecting to Internal Transport Networks

The existence of fast, efficient and safe ways to sea ports to the various centers of industry and internal trade is one of the most important elements in the development of logistics work in the sea ports. Hence, it is necessary to work in both directions; that is to say, the development of internal ways of connection with attention to the developing these ways in the parts that are passing through cities and industrial centers.

Port and Foreign Trade Logistics

• Customs Clearance Procedures Improvement

Most customs departments have started taking measures to reduce the problems faced by exporters in the field of customs clearance. Many of them have started to apply modern systems in the procedures of clearance and the use of technological techniques in all surveillance and inspection as well as the use of EDI system in all business transactions.

• Use of IT Applications

Enhancing the role of transport service providers, especially in the field of EDI, helps saving time and reduce the effort and costs. As well, the more the number of parties using this system, the lower the cost per person and the better the level of logistics performance in the country overall.

• Logistics Industry Development

By introducing the concept of logistics industry, establishing logistics centers, whether in or away from sea ports, providing them with all the required equipment and devices, and developing the logistics services, especially with regard to the role of the country in providing the appropriate atmosphere for such industry.

This has been implemented by many countries in their ports such as Yokohama and Kobe in Japan, Busan in Korea, Hamburg in Germany and Rotterdam in the Netherlands, which are good global models to be analyzed and highlighted in future articles.

To promote economic determinants and competitive advantages

The Sultanate participates in the China-Arab States Expo

"Participation confirms the development of economic relations and translates the volume of Chinese projects in Oman.", Al Saadi said

Yinchuan - Ningxia - China) - Duqm :

The delegation was headed by His Excellency Yahya bin Said Al Jabri, Chairman of the Public Authority for Investment Promotion & Export Development (Ithraa) and Chairman of the Special Economic Zone Authority at Duqm (SEZAD). The delegation included representatives from Ithraa, SEZAD, Ministry of Commerce and Industry, Ministry of Foreign Affairs, Oman Chamber of Commerce and Industry, Public Establishment For Industrial Estates "Madayn", Oman Global Logistics Group "ASYAD', Oman Aviation Group, Port of Duqm Company, Duqm Quarries Company, Oman China Friendship Association and the Embassy of the Sultanate of Oman.

The Sultanate's participation in the exhibition aimed at promoting the economic potential and competitive advantages of the Sultanate and clarify them to businessmen and representatives of Chinese companies participating in the exhibition, which work in the sectors of industry, logistics, tourism, mining, scientific research and technology.

Exploring Investment Opportunities

His Excellency Yahya bin Said Al Jabri stated that the exhibition is an important platform to explore the trade and investment opportunities available in China and the participating countries. The exhibition included activities, forums and meetings to promote communication and economic and commercial exchange in modern agriculture, technology, infrastructure, production capacity and other fields. In addition, a series of exhibitions and conferences were held on leading technologies and modern innovations.

Omani-Chinese relation Development

His Excellency Sheikh Abdullah bin Saleh Al Saadi, Oman's Ambassador to China, stated that the participation was based on an invitation received from the Provincial Government of the Ningxia. He explained that this participation is one of the largest participations for the Sultanate in terms of the size of the delegation and the number of participating bodies.

He said that the Sultanate's participation in the exhibition is an affirmation of the development of Omani-Chinese relations at the economic level reaching a stage of progress, the results of which have been translated through the volume of existing and upcoming projects in SEZD and the Sultanate in general.

The China-Arab Expo is one of the most important international exhibitions. It is organized and co-sponsored by the Ministry of Commerce of China, the China Council for the Promotion of International Trade (CCPIT) and the Provincial Government of Ningxia. The exhibition opened for the first time in 2010, with the participation of about 57,000 participants from 80 countries.

A Presentation on Duqm

As part of the exhibition, a conference

Targeting the companies operating in the sectors of industry, logistics, tourism, mining, scientific research and technology

The Sultanate participated in the 4th session of the China -Arab States Expo held in Yinchuan, Ningxia, China during September 5 to 8, 2019.

was held to promote the economic zones outside China in the presence of a number of people interested in Chinese investment outside China. Present as well at the conference were representatives of ten major economic zones in which China is investing, including Oman , Kuwait, UAE, Egypt and Pakistan.

Jalal AlLawati gives a presentation on Duqm

During the conference, Jalal bin Abdul Karim Al Lawati, SEZAD's Marketing and Promotion Manager, gave a presentation on the potential of the Zone and its ability to attract Chinese investment and the investments that have been attracted in the past period.

The conference is an important opportunity to promote the economic zones and their role in attracting Chinese investments. It also highlighted the most important economic zones in which China has invested and the developments of the invested projects.

Sultanate's Pavilion in Exhibition

The Sultanate's pavilion at the China-Arab States Expo was well received by visitors who wanted to know about the business environment in the Sultanate and the services offered by the participating organizations.

The representatives of the Omani bodies participating in the exhibition met with their counterparts from many Chinese companies, discussed with them the opportunities of trade exchange and reviewed before them the steps of establishing business projects in the Sultanate and the advantages offered by the Sultanate to investors.

Conference on Promotion of Economic Zones outside China reviews Duqm experience

Visitors to Omani Pavilion show interest to know about the business environment in the Sultanate

Visitors listen to a brief on Duqm Special Economic Zone and Duqm Quarries

In his speech at the conference on investment and cooperation in the field of productive capacity in China

Ithraa Chairman invites Chinese and international companies to invest in Oman

The future in Oman is promising and investors benefit greatly from channeling their investments to the Sultanate

Providing a favorable environment for foreign companies to grow and thrive and encouraging incentives in Duqm and Free Zones

Yinchuan - Ningxia - China) - Duqm :

His Excellency Yahya bin Said Al Jabri, Chairman of the Public Authority for Investment Promotion & Export Development (Ithraa) and Chairman of the Special Economic Zone Authority at Duqm, invited Chinese and international companies to invest in the Sultanate. He also praised the steps taken by Chinese companies towards settlement of their investments in the Sultanate in general and SEZD in particular.

Al Jabri invited the delegates during his speech delivered to businessmen participating in the conference of investment and cooperation in productive capacity, which was held in China in September 2019. The conference was held as part of the 4th session of the China-Arab States Expo, which was hosted by Yinchuan, the capital of Ningxia Province.

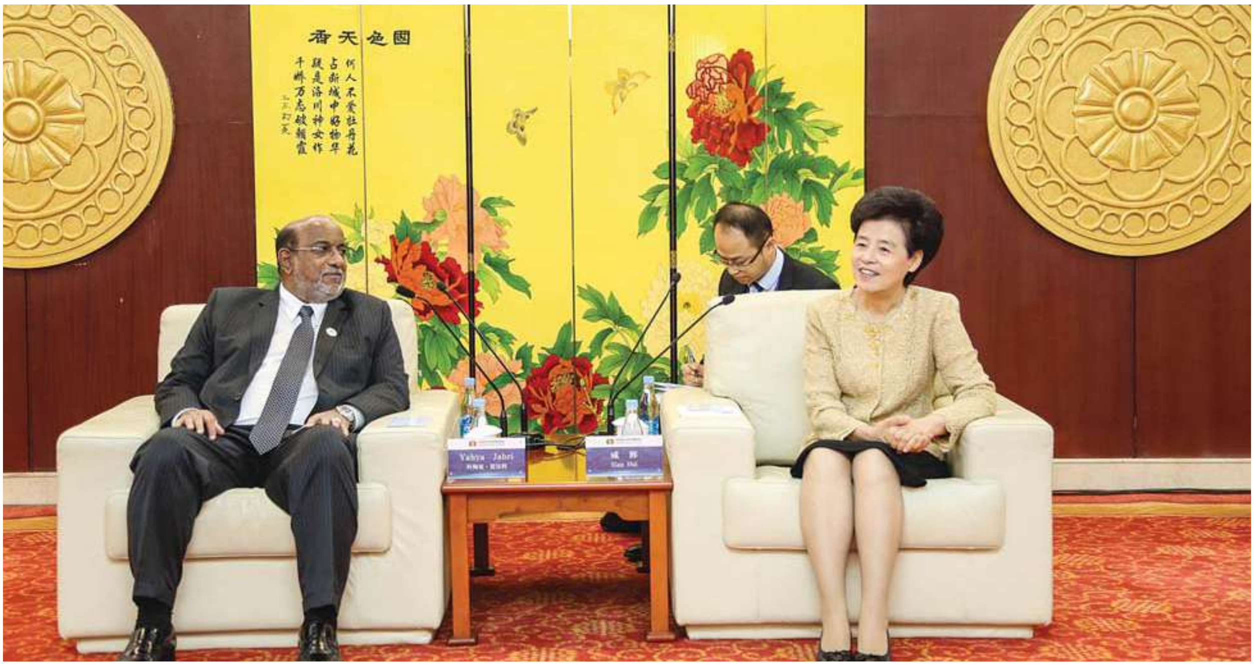
His Excellency pointed out that the Sultanate recorded a strong economic growth during the past years as a result of government investment in infrastructure projects and government support to attract foreign investments. He called on companies to benefit from the investment environment in the Sultanate and the incentives offered by the government in many free zones and SEZD, in addition to taking advantage of the Sultanate's strategic location and proximity to the Asian, African and GCC markets.

Goods Distribution Center

His Excellency explained that the strategic location of the Sultanate has enabled it over the years to become a center for the distribution of goods, a major corridor for the passage of merchant ships and a link between East and West. In addition, it is becoming a commercial gateway to the GCC and other Arab countries. The Sultanate's political stability and good diplomatic relations with neighboring countries and other countries around the world provide a favorable environment for foreign companies to grow and prosper. He stressed that these advantages have positive effects for those willing to invest in the Sultanate.

"The future in Oman is promising, and investors, whether nationals or foreigners, will benefit greatly from channeling their investments to Oman," His Excellency added.

The Governor of Ningxia expressed gratitude to the Sultanate for its facilities to settle the Chinese investments



Yinchuan - Ningxia - China) - Duqm Economist :

Xian Hui, Governor of the Ningxia Autonomous Region, stressed the importance of strengthening the existing economic relations between the Sultanate and China, and expressed gratitude to the Sultanate for its efforts to facilitate the settlement of Chinese investments particularly in SEZD.

This was addressed during the meeting with His Excellency Yahya bin Said Al Jabri, Chairman of the Public Authority for Investment Promotion & Export Development (Ithraa) and Chairman of the Special Economic Zone Authority at Duqm and his accompanying delegation, who participated in the China-Arab States Expo held during September 5-8, 2019 in Ningxia.

On the other side, Yahya bin Said Al Jabri expressed the Omani delegation's interest to enhance trade relations with China and Ningxia in particular. During the meeting, they discussed ways of boosting trade cooperation between the two countries and reviewed the most promising sectors of interest to China for investment, particularity energy, technology and agriculture.

H.E. Yahya bin Said AlJabri invited the Governor of Ningxia Region to visit Oman and identify the investment opportunities and the incentives offered by SEZAD to investors.

Discussing Cooperation with Bank of China

Meanwhile, Yahya bin Said Al Jabri met with Wang Rintang, President of the Bank of China in Ningxia Province. During the meeting, they discussed a number of important issues including cooperation in the banking field and the provision of trade facilities for the companies willing to invest in Duqm.

Al Jabri stressed the need to open a branch in Oman to encourage Chinese companies to invest in the Sultanate and establish business ventures. The Bank of China is one of the oldest banks in the Republic of China.

Yahya Al Jabri invites Xi'an Hui to visit Duqm and know about the available investment opportunities

The Chinese side is willing to invest in energy, technology and agriculture sectors

Bank of China is invited to open a branch in Oman to encourage Chinese investment

During the meeting with the Bank of China

Duqm

Prepared by:
Haitham bin Khalifa Al Shukaili
Statistical Specilaist, Department of Studies and International Cooperation

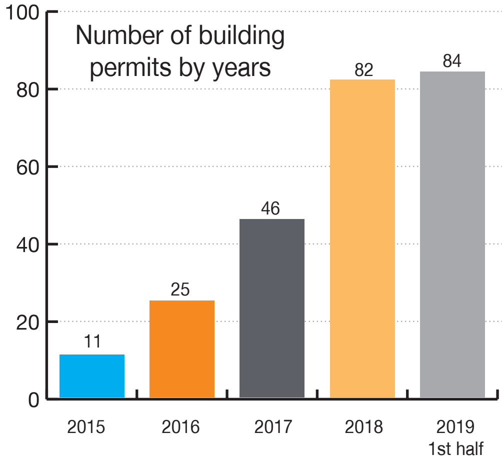
Achievements Talk

The Royal Decree No. 119/2011 establishing the Duqm Special Economic Zone Authority (SEZAD) represented a defining moment for Duqm. Under the decree, the Authority was assigned the responsibility of overseeing the development of Duqm and managing and developing its economic zone to contribute to the overall economic and social development.

From that moment on, the government, represented by the SEZAD, sought to create an attractive environment for investments by completing the legislative system of regulations and rules and by completing the zone's plans in addition to the investment in infrastructure, which has been demonstrated through the completion of major road works, the system of protecting the zone from the risks of flooding and drainage of surface water, commercial operation of Duqm Airport, and the completion of a number of port project packages and many other projects.

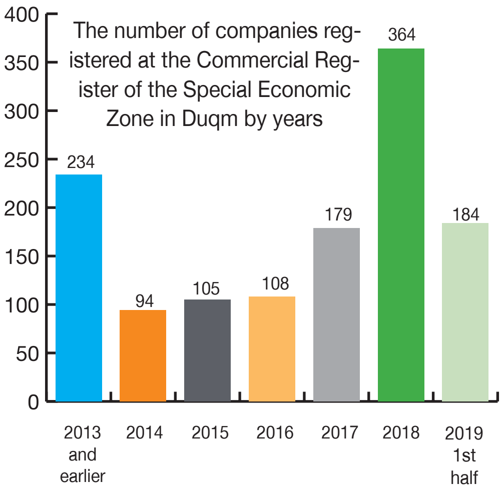
The efforts of Authority over the past years have been reflected in a number of statistical indicators for the zone, the construction and contracting sector witnessed an upward trend. The number of building permits issued during 2018 was (82) building permits compared to 46 building permits in 2017. The current situation also indicates the continuation of this upward pattern. The Authority issued, through one-stop shop, 84 building permits during the first half of this year.

Building permits issued during the first half of 2019 by activity			
Activity/Land use	New	Renewed	Total
Industrial	15	2	17
Tourist	3		3
Offices	18		18
Logistic	3		3
Residential/Commercial	26	3	29
Services (power, water (and treatment plants	8		8
Labor camps	5		5
Educational	1		1
Total			84



Continuous increase in the number of permits for construction and new projects

According to the data issued from the one-stop shop for the first half of this year, residential / commercial activities came at the top of the projects in terms of the number of building permits issued (29 permits), followed by building permits for institutions offices (18 permits) and industrial facilities (17 permits).



More companies register in Duqm

This also applies to the reality of commercial registration in the zone. The number of new commercial records has doubled in the past five years from 94 new records in 2014 to 186 364 in 2018. In the first half of this year, 184 new companies were registered in the region, bringing the total number of companies registered in the region by the end of June to 1090 1268 companies.

Regarding the legal entity of companies, the data indicates a significant increase in the number of companies registered in the region as their headquarters reached 260 companies in 2018 compared to 90 companies in 2017.

It is worth mentioning that the commercial registration of establishments institutions in the zone region is made through the (Invest Easy) Portal, which is supervised by the Ministry of Commerce and Industry, through direct link with the Authority. The Authority has been granted all powers related to the procedures of commercial registration under Article 13 of the Duqm Special Economic Zone Law issued by Royal Decree No. 79/2013.

Total registered companies reached 1268 companies

Small and Medium Enterprises (SMEs)

The statistical indicators have reflected the interest of SMEs in the zone, and they increased by the end of 2018 to 551 establishments institutions after registering 272 establishments institutions last year.

Investments Flow according to (Quality over Quantity) Rule

Whoever traces the reality of investment in the SEZD in 2016, which was the most important turning point in the crisis of low oil prices, notes the increasing local and international demand for investment in Duqm. The number

Residential commercial activities are the most important projects in terms of the number of building permits issued

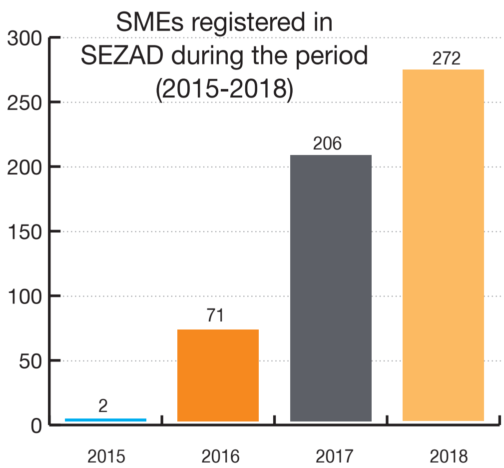
Government investments in infra-structure have been supportive of Duqm's investment environment

of usufruct agreements signed during 2016 reached (100) agreements, including the usufruct agreement with Wanfang, the developer of the China-Oman Industrial Park in Duqm. During the same year, a memorandum of understanding was signed between Oman Oil Company and Kuwait Petroleum International to enhance investment aspects in the development of the Duqm Refinery Project and the Petrochemical Industries Complex.

By the end of 2018, the amount of expected investment of the private sector has doubled in the region to more than USD 14 billion from USD 887 million at the end of 2014.

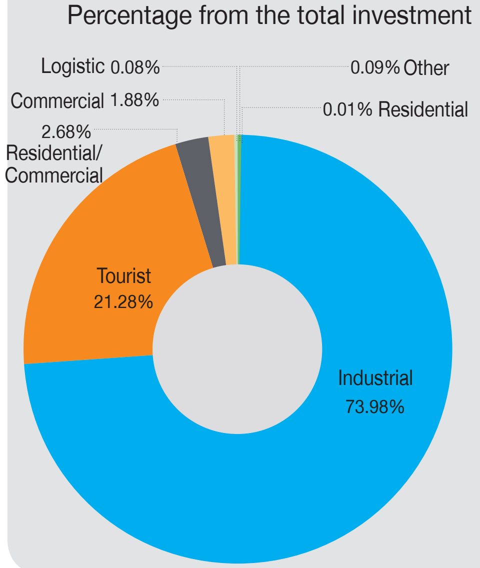
The industrial sector accounts for the largest share of investment (74%) and tourism (21%). These figures are in line with the current Oman five-year development plan, which focuses on five key sectors including industry and tourism.

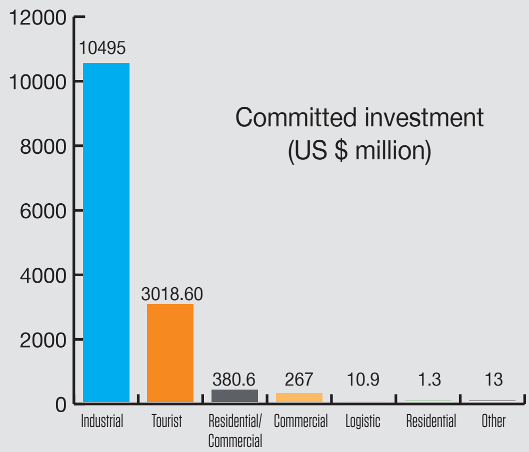
The pace of work in the zone continues to increase and is expected in the coming years to witness a substantial increase in various economic sectors, which will contribute to the efforts of supporting the economic diversification program of the Sultanate. The development of the SEZD is one of the key elements for its ability to meet the requirements of the economic sectors through its unique strategic location, advantages and attractive incentives for investment.



SMEs benefit from projects in the region

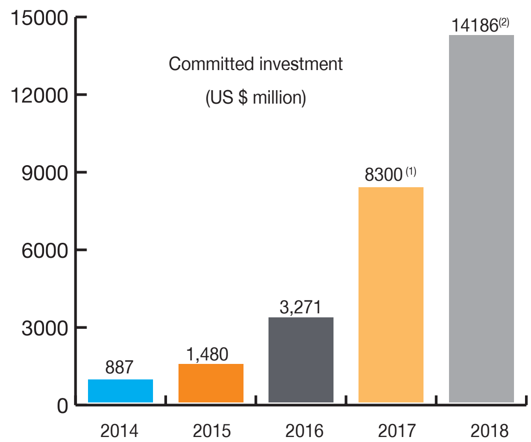
The investment committed by the private sector as of the end of 2018 by economic activity





The amount of committed private sector investment rises from USD 887 million in 2014 to USD 14.2 billion by the end of 2018

The investment committed by the private sector in the period 2014-2018 (cumulative)



1-Investments for the China-Oman Industrial Park have been calculated and confirmed by 10 projects with an investment amounting to $ 3.8 billion

2- The total value of Duqm refinery is calculated, amounting to $ 5.7 billion

Activating the online entry permit for Rock Garden

Duqm - :

In early September 2019, the Special Economic Zone Authority at Duqm (SEZAD) started activating the online entry permit for the Rock Garden. Those interested in visiting the Garden can make a booking through the following link:

https://www.duqm.gov.om/permit-application

"Tanfeez" team in cooperation with SEZAD has developed a well-defined system for permits to enter the Rock Garden with an online application form for permits and tourist guidelines to enter the Garden.

This procedure is designed to sustain track of visits to the Rock Garden and to ensure that tourists' visits do not have any negative effects on the Garden's environment or its scientific and aesthetic value. The use of an e-permit system to enter the Rock Garden is expected to contribute to the date collection process needed for future planning and development of the Garden.

According to the new procedure, individuals and institutions interested to conduct tourism or commercial photography or organize scientific events or activities in the Rock Garden - including commercial tours - must obtain a permit issued by the management of the site through the Authority's website.

Several Gains

As the Sultanate has many geological, environmental and cultural features, the development of a geological garden in the Sultanate, such as the Rock Garden in Duqm, gives the Sultanate greater interest and fame, creating new jobs opportunities, producing other local products, and enhancing the local added value of the tourism sector.

The Rock Garden includes rock formations composed of limestone rocks formed in different shapes and sizes formed thousands of years ago under the sea water and then appeared on the surface of the earth due to geological factors of the layers of the earth. Later, due to atmospheric erosion, rocks became distinctively shaped.

The new procedure aims to sustain tourism to the Garden and not to affect its scientific and aesthetic value

Electronic authorization contributes to the collection of data necessary for the future development of the Garden

Mohammed bin Ahmed Al Shezawi
Editor-in-chief

This diversity of expertise and competencies provide Duqm with an added advantage as a society that everyone contributes to its establishment and care and the projects implemented in it

mohammed.alshezawi@duqm.gov.om

A Major Base for Industries

The Special Economic Zone at Duqm has many components making it a major base for industries of all kinds. During my meetings with officials from the companies, which have started investing in the industrial sector in the zone, I felt the great interest of these companies to consider Duqm as a main station for their various industries.

Some companies are attracted by the SEZD for its location near the oil and gas fields, which reduces the cost of transport and time of delivering goods. Others attributed that it is characterized by a large port located within walking distance from the international shipping lines, and therefore shipping companies have easy access to the port. The industrial companies operating in Duqm can ship their goods through the port easily and with the same speed they can import the raw materials they need in manufacturing.

Others have considered Duqm an ideal destination for the petrochemical and oil industries because of having the Duqm Refinery on the one hand and, on the other hand, the facilities for exporting factory products, whether through the commercial dock or petroleum products dock."

This future optimistic view of the industrial sector in Duqm is offset by the readiness of the SEZAD to provide the needs of the projects and localize them according to their specialties and sectors. There is a special area for heavy industries, another for medium industries and a third for light industries. They collectively constitute a large complex for the industrial sector. In addition, the projects established in the SEZD enjoy tax and customs exemptions and many facilities offered through the one-stop shop established to facilitate investors' procedures.

While working on this issue, I had a meeting with a number of workers in Ras Markaz crude oil storage terminal and a number of other companies working in the industrial sector. It was remarkable that the project workers were of different nationalities, including the Sultanate of Oman, the GCC states and other countries. This diversity of expertise and competencies provide Duqm with an added advantage as a society that everyone contributes to its establishment and care and the projects implemented in it. They were also delighted to be in Duqm where they enjoy the nature and beaches during their weekends away from the noise and bustle of factories. "