OCCI seeks to develop a tripartite partnership based on integration in roles and responsibilities in various comprehensive development programs and plans aimed at promoting man, economy and society.

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OCCI Specialized Committees.. Powers & Challenges

Qais Al Yousef
OCCI seeks to develop a tripartite partnership based on integration in roles and responsibilities in various comprehensive development programs and plans aimed at promoting man, economy and society.

President of the Kenya Chamber:
Oman is a major trading partner of the Republic of Kenya.
VISION
To develop the Omani private sector and make it a key partner in sustainable economic development.

MISSION
OCCI is the official representative of the Omani private sector inside and outside the Sultanate. It is also its active tool in taking decisions of interest for the sector. It seeks to develop the sector through the available tools and programs for enhancing economic growth in the Sultanate.
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OCCI News
This issue of Al Ghorfa magazine will discuss a number of issues related to the specialized committees of OCCI and the vital role they play in making the communication link managed by OCCI, that connects businessmen and women with their interests at the different sectors and the relevant organizations. They do their best to meet the needs of the Omani private sector and Oman Vision 2040. They also seek to serve the development at the various governorates. The names of the committees and their duties have been changed to meet the needs of each governorate.

To play their prospective role namely discussing the many issues of interest for the national economic growth and to help them provide creative ideas to facilitate doing business, we have facilitated the work of the committees by developing the Regulations for the ad hoc committees. Joint meetings among the different committees were also made to create a common platform and to work independently and jointly to serve the various economic sectors.

At this term of OCCI board, we have been very keen on making the heads and members of the committees identify certain issues and focus on them to achieve the maximum benefits of such meetings. We urged them to maintain coordination with the committees in the branches and affirmed our full support to anything which may motivate the specialized committees to play their role, enhance communication with businessmen and convey the required messages to the relevant authorities.

This issue also discusses a number of subjects related to the Omani economy’s performance indicators which highlight the economic diversification efforts made till date. The role of OCCI to explore business opportunities and provide the private sector with the necessary tools and guidance to promote their projects are also covered. We also highlight the efforts made by OCCI as the voice of the private sector to adopt the proposals of various businesses in addition to other features as well.
OCCI Specialized Committees.. Powers & Challenges

Report by: Ibtisam Al-Saadia & Rabia Al-Harthiya
Within the framework of the new Board of Directors of Oman Chamber of Commerce and Industry (2018-22), specialized committees have been restructured and 16 committees have been re-nominated.


The Real Estate Development and Contracting Committee is chaired by Hassan Bin Khamis Al- Said Al Balushi. The Labor Market Regularization Committee is headed by Mohammed Bin Al-Ansi. The Legislations and Laws Committee is chaired by Dr. Mohammed Bin Ibrahim Al-Zadjali. Dr. Firas Bin Ali Al-Adani chairs the Small and Medium Enterprises Committee.

Ali Bin Salem Al Hajri chairs the Tourism Committee. Ali Bin Hamdan Al Ajmi chairs the Services and IT Committee. The Mining Committee is chaired by Zaher Bin Mohammed Al Kaabi, and the Food Security Committee is chaired by Saleh Bin Mohammed Al Shanfari.

Rashid bin Amer Al Mesailhi is the Chairman of the Health Committee, while the Businesswomen’s Committee is headed by Bahia Bint Hilal Al Shuaibiya. The Financial and Insurance Sector Committee is chaired by Murtada Bin Mohammed Al-Jamalani and the Transport and Logistic Committee is chaired by Hamad bin Salem al Buaiji.

The temporary committees have a significant role to play in developing the economic and trade movement in the country and to follow up on the topics that will develop this activity. The committees also present the challenges and difficulties faced by businessmen, companies and factories and hold a series of meetings to come up with recommendations to address these difficulties.

### Membership of committees

In a bid to engage business owners, the nomination for the chairmanship and membership of OCCI specialized committees has been announced. A number of candidates have been selected to head those committees. This will contribute to activating the roles and efforts of these committees during the coming period.

Al Ghorfa magazine met with committees’ chairmen to get an idea about the roles of the specialized committees

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**Al-Mesailhi:**

It is important to considering Omanization and the requirements of training and rehabilitation of human resources in the private sector.
Revitalizing economic sectors
Rashid bin Amer Al-Meshalhi, Vice Chairman of the Board of Directors for Administrative and Financial Affairs and Chairman of the Health Sector Committee said that OCCI specialized committees have a great role in activating the economic sectors. They raise their proposals to the competent authorities and various stakeholders, especially through the OCCI and its branches. We hope that these committees use their powers to serve the national economy. During their meetings, they look for the best ways available for economic development in the Sultanate in general and the governorates in particular. These committees consider the issues and aspirations of the private sector in various sectors, in addition to Omanisation. They also consider the requirements for rehabilitation and training of human cadres working in private sector companies.

Tourism investments
Ali Al Salem Al Hajri, Board Member and Chairman of OCCI Branch of North Sharqia Governorate and Chairman of the Chamber’s Tourism Committee, said: “The committees have a prominent role in raising awareness of the investment and business opportunities and new markets that attract businesses. They also play a role in supporting investors to obtain comprehensive information and data on the sector. At our committee we propose the policies and systems to develop the tourism projects in North al Sharqiyyah Governorate. We also organize field visits for tourism and archeological sites. We also seek to devise solutions for the various tourism projects. We always encourage youths especially job seekers to venture into joint tourism projects as they have huge benefits. He noted that the committees are very active and play an important role in eliminating the difficulties facing businessmen. They open communication channels with the different stakeholders involved in entrepreneurship. The committees also study the labor market in the Sultanate and promote attracting foreign investments. They also play a role in planning and organizing various events that bring positive economic benefits.

Sharing experiences
Ali bin Hamdan al Ajmi, board members and head of the services and IT Committee at OCCI said that the Committee seeks to provide quick solutions for the challenges that may face private sector organizations and develop the business environment for the micro and SMEs. They also propose solutions for the common challenges at the business environment. He highlighted the role of OCCI in promoting business culture and providing advice for the new SMEs. They also facilitate the sharing of knowledge and experience among SME owners and their counterparts at the sisterly and friendly countries.
Sector Development
Eng. Hussain bin Hathith al Bathari, OCCI board member and chairman of the OCCI branch in Dhofar Governorate and head of the Industry Committee said that the Committees provide solutions for the problems facing every sector. They also revise the laws and decisions that serve the interests of the sector and contribute to its development. The Committee encourages youths to benefit from the available business opportunities.

Activating the privilege system
On his part, Murtadha bin Mohammed al Jamalani, Head of the Finance and Insurance Committee at OCCI said that the specialized committees play a role in proposing the policies and programs that develop the economic performance of the private sector. They also raise recommendations related to the economic sectors to OCCI’s board for approval. They also take part at the various activities of OCCI.

“We are looking forward to have a suitable budget for development and promotion. We need to activate the privilege system for OCCI members and have regular meetings with executives at the private sector organizations,” he added.

Challenges
Zaher bin Mohammed al Kaabi, board member and chairman of OCCI’s Board in al Buraimi and head of the

Al Bathari:
Significant efforts by the committees to enhance the performance of private sector institutions.

Al Jamalani says
There is a need to activate the system of privileges for OCCI members.

Mining Committee at OCCI said that we need to consider the overlapping of the specialties and the many burdens and responsibilities given to the committees. The topics offered for discussion may be similar therefore we should have a consultant for raising the necessary proposals for the relevant authorities.

Al-Kaabi pointed out that the committees face several challenges, including the lack of responsiveness of some concerned bodies to the committees’ projects despite their importance, in addition to delaying the responses...
from the competent authorities on the proposals of the committees. This places the committees in a critical situation before the private sector. Moreover, the committees face many challenges during their meetings therefore they should focus on the solutions and alternatives to these challenges.

Future visions
The Chairman of the Mining Committee looks forward to increasing the effectiveness of the committees by providing the committees with reasonable and feasible solutions and alternatives during the presentation of obstacles to be resolved with the competent authorities. The committees shall present future plans and visions based on the reality and available tools that may contribute to the success of these plans and programs. Allocations are allocated to all committees. Membership in the committees is a voluntary work by the members who allocate their time, effort and money to support the committees with a certain amount to implement their plans and programs during the year.

Setting goals
Mohammed Bin Hassan Al-Ansi, Chairman of the Labor Market Regulatory Committee, said: “Some committees still need more to activate their role and intensify the follow-up by the Chamber’s Board for the work of these committees. We need to focus on one or two aims and seek to provide appropriate solutions to them. These solutions should be discussed with the Board of Directors before being submitted to the concerned bodies. The specialized committees are the representatives and spokesmen of the private sector. The issues of interest for the private sector should be discussed very efficiently to come with positive results.”

Al-Ansi pointed out that the absence of a link between OCCI and government agencies in decision-making is a challenge facing the committees and may hinder the functioning of some of the committees’ work. OCCI is considered a consultative body that should take action to highlight the role of the committees and their studies.

Al-Ansi is looking forward to taking feedback from the Committees before making decisions that may affect the private sector in the future.

Activate the role of committees
Ahmad bin Abdulkarim Al-Hooti, Chairman of the Committee for Economic Affairs, Research and Studies, pointed out that OCCI specialized committees play a role in expressing the opinions, ideas and proposals. There is no interaction between the businessmen and OCCI in adopting specific recommendations and decisions and pushing them towards the highest levels. The committees are facing many challenges including having a number of specialized societies that play the same roles and carry out the same activities of the committees. On the other hand, the proposals of the committees may not be upheld by the government which may also ignore taking the feedback of OCCI committees before decision making.

Al-Hooti pointed out to the importance of providing committees with the required freedom to meet businessmen and officials as well as developing studies
and recommendations. It is very important to merge the committees playing the same roles at one committee. We need also to organize a number of workshops and seminars to activate the role of these committees.

Al Ruqaishi
Allocations for the Committees should be increased to suit the size of activities and events.

Granting powers
Hassan bin Khamis al Ruqaishi, Head of the Real Estate Development Committee said that we need to reconsider the systems and regulations for the committees. We need also to provide committees with the opportunity to come out with out-of-the-box solutions. The committees should receive more interest due to the key role they play in serving the national economy.

Al Ruqaishi also said that more allocations should be earmarked for the committees to meet the needs of the activities and events held during their annual plans. The committees should also have more powers to ensure getting the needed approvals in a quick manner. There should also be more coordination among the committees to avoid overlap of the roles and responsibilities.

Increasing budgets
Sheikh Ahmed bin Saeed Al Balushi, Chairman of the Education Committee, praised the role of the Oman Chamber of Commerce and Industry and its efforts to find the appropriate plan for organizing the committees. He noted that the committees’ work has evolved compared to previous years.

He added that OCCI specialized committees face several challenges, including restriction of their powers. More powers are now given to the associations because of their independence, in addition to its lack of adherence to a protocol that impedes its work. The distribution of some committees is inappropriate. It is very important to increase the budgets for the committees so that they can activate their role further through the holding of workshops and seminars and other events.

Al Balushi
The Committees are still restricted while societies are independent.

Al Yousef Meets heads and deputy heads of the temporary committees
During his meeting with the heads and deputy head of OCCI specialized committees, Qais bin Mohammed al Yousef, Chairman of OCCI’s board of directors stressed the important role played by the committees. He hailed the role played by the committees and their constant endeavors to promote the performance of the private sector.

The meeting discussed the regulation of the specialized committees as well as their powers, roles, performance indicators and challenges. The meeting discussed how to take the feedback of these committees into consideration while drafting the new laws and regulations. The meeting also discussed the importance of the sectoral work and the best practices that can enhance the efficiencies of the committees during the coming period.

It should be noted that the meeting was attended by Dr. Salem bin Sulayem bin Saleh al Junabi, Deputy Chairman for OCCI board for economic affairs and branches and head of OCCI board in Al Wusta Branch, Rashid bin Amer al Mesailhi, OCCI Deputy Chairman for Financial and Administrative Affairs and a number of executives.
Strategic projects and integrated system to enhance the Sultanate’s mega investments
Oman’s economic indicators highlight economic diversification efforts

Some strategic projects are completed, and others nearing completion

Economic diversification plans are proceeding as planned

Previous focus on projects that have a direct impact on economic activity

ISFU is responsible for resolving any problems encountered in implementing the initiatives

Sultanate’s public revenues increases by 11.9% by the end of 2017

By the end of 2017, the state budget deficit decreased by RO 1.5 billion

SEZD succeed in attracting investments from 18 countries

90% of Irfan City completed with more than 30,000 direct and indirect jobs
The performance indicators point out that the Omani economy has made great improvement in the economic diversification efforts during the last period. Some vital strategic projects achieved many gains according to performance indicators issued by the Implementation Support and Follow-up Unit (ISFU). Some projects will be completed by 2023.

Two years after the completion of the laboratory phase of the National Program for Enhancing Economic Diversification (Tanfeedh), this report outlines the stages of the initiatives produced by these laboratories, which are overseen by ISFU, as well as the Sultanate’s plans to promote economic diversification.

As an oil-dependent economy, the shift required to diversify sources of income by promoting investment in targeted sectors takes some time, but the government continues this trend by using the outputs of the National Program for Enhancing Economic Diversification by enhancing the contribution of the five target sectors in the Ninth Five Year Plan namely the logistics sector, the manufacturing sector, the tourism sector, the fisheries sector and the mining sector. It also goes ahead with implementing a number of strategic and vital projects.

According to the monthly statistical bulletin issued by the National Center for Statistics and Information (NCSI) for June, it is clear that the gross domestic product at current prices in 2017 grew by 8.7% compared to 2016, where the gross domestic product amounted to RO 27.9 billion in 2017 compared to about RO 25.7 billion in 2016. It is also evident that the value added of non-oil activities amounted to RO 20.5 billion at the end of 2017 compared to RO 19.7 billion in 2016, an increase of 3.9%.

The data point out that the value addition of agriculture and fisheries grew by 7% in 2017 compared to 2016, 9.2% to the manufacturing industries, 9.6% for transport, storage and communications activities, 7.2% for hotel and restaurant activities, and 15.7% for the mining and quarrying sector.

**Public Finance**

In terms of public finance, the Sultanate’s public revenues increased by 11.9% by the end of 2017 compared to 2016. This increase was due to the increase in the average price of crude oil from $ 40.1 per barrel in 2016 to $ 51.1 per barrel in 2017. The public expenditure recorded a decline by 4.9% by the end of 2017. The Sultanate’s public finance deficit also decreased by RO 1.5 by the end of 2017 compared to the previous year.

The value of export commodity at the end of 2017 amounted to about RO 12.6 billion compared to RO 10.3 billion, a growth by 22.7%. It should be noted that the non-oil exports increased by 32.4% and commodity imports amounted to RO 10.6 billion in 2017 compared to RO 8.9 billion in 2016, a growth by 19.5%.

**Hub for Investment**

The Special Economic Zone in Duqm (SEZD) is part of the strategic projects that serve the economic diversification. SEZD infrastructure projects have made great progress towards completion. The overall completion rate in this huge project is 72%. The project aims at creating an integrated system of infrastructure that can attract various types of local and foreign investments in all the activities of the projects available in the region such as industrial areas, storage villages, logistics, tourist villages and resorts, and commercial, residential and office complexes.

SEZD succeeded in attracting investments from 18 countries; thanks to the investment incentives such as reduced taxes, and world class facilities that meet the needs of large companies. The government seeks to make SEZD an important logistic center on the Arabian Sea and a hub for local and foreign investments.

**Irfan City**

The aim of this project is to create an integrated and modern city in the capital Muscat, as well as to attract and promote conference tourism through the Oman Convention and Exhibition Center which is one of the important components of the project. The completion of the first phase of Irfan City is 90% and is expected to be completed entirely in December. The first phase of the project includes an exhibition and conference center, a parking building, an energy center, infrastructure projects and two hotels. The project is expected to provide more than 30,000 direct and indirect jobs.
Integrated logistics project
This project reflects the trend towards strengthening and developing public-private partnership in building an integrated investment city. Khazaen City is located in the South Batinah Governorate, about 60 km from Muscat International Airport and 140 km from Sohar. The City will link the various infrastructure and existing and future projects; being located in a central area between Muscat and Sohar, and on the planned route of the Railway that will connect to Duqm.

An integrated system
In the air transport sector, the completion rate of the Muscat International Airport project has exceeded 93%. The passenger terminal was inaugurated, and it started operations last March. Duqm Airport also started operations. The road transport sector witnessed an important milestone by the completion of the Al Batinah Highway project, which was completed and opened last May. Completion of the Adam-Thumrait project (Parts I and II) is 70%. It is expected to be completed in March 2019. It is one of the important strategic projects in the logistics sector, which will contribute to the flow of traffic, reduce accidents and support the movement of tourists especially in autumn (Khareef) season. It will enhance the economic activity in SEZD. The completion rate of Sinaw- Mahout – Duqm road stood at 95%.

The logistics has made a quantum leap by operating the Bayan system for custom and signing the service level agreements by the concerned authorities and the Royal Oman Police and with the support of IFSU. The agreement between the Public Authority for Mining and the Oman Mineral Development Company was also signed. The company will carry out studies and prospecting for minerals in Manji and Shweimiyah areas. They also cooperate to speed up the railway project, in addition to the dualization of Wadi Saa-Hafeet and Ibi road in addition to ring roads in the wilayats of Ibi. The Ports Service Manual has been also been published and the cooling facilities were completed.

Major projects
In the manufacturing sector, the overall completion rate of the Liwa Plastic Industry Complex at the end of the first quarter of this year stood at 53%. The project is one of the major projects of the initiative to promote the complementary industries of petrochemicals. The completion rate at Duqm Refinery project stood at 26%. The completion rate of Salalah Methanol plant exceeded 35%.

Moreover, 23% of Oman International Petrochemical Industries Company has been completed by the end of 2017. Musandam Power Plant has been completed and Musandam gas processing plant was inaugurated in November of 2017.
Towards an attractive and encouraging business environment
The business environment sector witnessed progress in implementing several public private initiatives with the support of ISFU. The most important of these is the initiative to simplify environmental permits, of which 95% was completed by the end of 2017. A legal framework for real estate investment funds has been developed. Six Governmental organizations were added to the «Invest Easy» system. The Antimonopoly Act and the Public Private Partnership Act were drafted.

In the labor market sector, some initiatives have achieved remarkable success in 2017, including: allowing partial and temporary work, and enhancing the flexibility of labor mobility.

GDP Growth
The tourism sector’s contribution to GDP reached 2.8% at the end of 2016. Licensed hotel establishments registered a growth rate of 8.9%, from 337 in 2016 to 367 in 2017. The number of hotel rooms increased from 18,825 in 2016 to 20,581 in 2017, an increase of 9.3% the number of beds increased from 29,538 in 2016 to 31,774 in 2017, an increase of 7.6%.

Moreover, e-Visa initiatives and the provision of facilities for new tourist markets have made remarkable progress. They are among the most important initiatives of the tourism sector that will achieve the sectoral targets. The application of the e-Visa system is an important qualitative leap for the Omani tourism sector. It is among the requirements that meet the objectives of Oman Tourism Strategy 2040, which includes opening up to various international tourist markets to increase the number of tourists coming to the Sultanate and attracting investment. Efforts are also made to speed up tourism development plans in Musandam, the Interior, Muscat and South, Dakhiliyah, Muscat, and South A-Sharqiyyah Governorates. These are also part of efforts to develop domestic tourism. Significant progress has also been made in pilot projects associated with privatizing the management of heritage and natural sites and reserves.
Doubling the contribution of the fisheries sector
The average annual fish production growth during the period 2011 to 2016 was 12.1%. The Sultanate’s exports of fish during the same period grew at an annual growth rate of 9.6%. The fisheries sector is an important source of the national economy. The program aims to discuss the mechanisms of achieving the optimal exploitation of fish wealth and maximizing the contribution of this sector to the GDP. The laboratory has resulted in 91 initiatives and projects that included the three activities discussed in the laboratories namely fish farming, fishing, and value-added industries and exports. The private sector has expressed its willingness to finance 93% of the RO1 billion worth initiatives and projects. The contribution of the government to the establishment of some infrastructure and facilities will be only 7%. The new initiatives and projects are expected to contribute to the GDP. The total contribution of the fisheries sectors more than tripled in 2016 to reach RO 781 million by 2023 and will provide about 8,000 direct jobs to Omanis by 2023, after completion of all initiatives and projects that have been approved in the laboratory.

Within the framework of the promotion of fish production and the development of fish farming, the Ministry of Agriculture and Fisheries and the Oman Investment Fund signed a memorandum of understanding for the establishment of Oman Fish Farming Company. During the last period, the company has implemented a number of projects in the field of fish farming, including fish farming through floating cages in Qurayat. The project includes 32 boxes with different sizes to produce about 3,000 tons per annum.

Another project will be implemented in Dhabab village and will consist of 32 boxes with a production capacity of 3,000 tons annually. The company will also construct a fish packing plant at Qurayat with a production capacity up to 9,000 tons. Several other projects are also expected to contribute to enhancing fish production and creating employment opportunities for Omani youth in this vital sector.

The mining and energy sectors labs came out with a number of initiatives that are under review to convert them into concrete projects. The mining sector is one of the promising sectors of the Sultanate’s mineral resources and can be exploited to enhance the sector’s contribution to GDP and to regulate the sector.

In this context, and in support of the initiatives of this sector, a Partnership Agreement was signed in June between Marafi and Dolphin Integrated Company to build a quay for the export of stones and minerals at Sohar Port. The quay will contribute to increasing the Sultanate’s Jabro exports.

Tanfeedh
ISFU was established by Royal Decree No. 50/2016 at the end of the second phase of Thanfeedh in order to ensure that the recommendations and outputs of the program are put into practice. ISFU maintains continuous coordination between the various stakeholders to ensure proper implementation of the initiatives and projects under their supervision. The Unit has also developed sector-specific performance indicators. ISFU also provides various possible supports to transform these initiatives into projects on the ground, considering the many challenges encountered.

With the concerted efforts of all parties and the existence of mechanisms of escalation, these challenges will reach decision makers to solve them. In addition, the Unit is responsible for supporting the implementation and follow-up of 14 initiatives to enhance the business environment within the Sharaka project which supervises the public private partnerships. It also supervises the outputs of the new and future laboratories.
Discussion meetings on the main themes of Vision 2040 TO draw a map of long-term goals for future vision.

The 10th Five-Year Plan is the first executive plan for Oman Vision 2040.
The Royal Directives of His Majesty Sultan Qaboos bin Said stipulate that the future vision “Oman 2040” will be thoroughly developed and precisely formulated in the light of wide community consensus and the participation of all social segments of the society in order to fully realize economic and social realities, objectively foresight the future, and effectively guide planning in the upcoming two decades. OCCI board of directors and a number of businessmen and women participated at the panel discussion on the themes of Oman Vision 2040 namely people and society, governance and institutional performance and economy and development. The meeting was held at the premises of the Supreme Council for Planning.

Concrete efforts
Qais Bin Mohammed Al Yousef, Chairman of OCCI, affirmed the Chamber’s keenness to be the main representative of the private sector to achieve the vision and aspirations of Oman Vision 2040. He also praised the concrete efforts at the Forum on the Vision. OCCI seeks to develop a tripartite partnership based on integration of the roles and responsibilities in various comprehensive development programs and plans which aims to promote the human, economic and social environment. It also aims at strengthening the principles of governance in OCCI and the private sector, supporting small and medium enterprises and entrepreneurs.

It also aims at promoting national products and introducing the incentives and opportunities available for investment. The contribution of the private sector to the forum stood at 21%. They stressed their keenness to increase the figure in the coming days. The private sector took part at Oman Vision 2040 to be involved in drafting the long term goals and objectives.

Goals of the meeting
The meeting between the members of Oman Chamber of Commerce and Industry and businessmen and the Office of Vision 2040 aims at informing the Chamber of the work and preparation of Oman Vision 2040 and to discuss the strategic directions of the Vision which are the outcomes of a series of seminars and outreach initiatives that involved all sectors of society.

Talal bin Suleiman Al Rahbi, Head of the Technical Committee for Oman Vision 2040 said that the participation of businessmen and women and OCCI in drafting Oman Vision 2040 is very important. Coordination is maintained between the Supreme Council for Planning and OCCI and its branches which participated at the drafting of Oman Vision 2040.

He noted that the 10th Five-Year Plan is the first implementation plan for Oman Vision 2040. It is the first step towards realizing the Vision, which will be implemented starting from 2021. A number of quick initiatives that focus on IT infrastructure will be implemented as they are among the key enablers for the Vision, he added.
The preparations for Oman Vision 2040 began early and were adopted in 2017. Khalid bin Ali Al-Sunaidi, head of Oman Vision 2040 Office made a presentation that covered the Vision, its stages and community participation through the stages of preparing the vision. He presented the three pillars of Oman’s Vision 2040 (People and Society, Economy and Development, Governance and Institutional Performance).

**People and Society Theme**
This pillar aims at enhancing the principle of just and equitable access to health and wellbeing to all the members of the Omani society so that they enjoy social welfare.

Dr. Sayyid Amal bint Abdullah al Busaidiyah said that this pillar aims at upholding heritage, genuine traditions and the Omani identity built on the tolerant Islamic values, as the basis for the Omanis to deal with globalization and its variables and to interact with other societies of diverse cultures and values.

**Economy and Development Theme**
This pillar aims to continue the policy of building a diversified, dynamic, globally interactive and competitive economy that meets the present and future needs of the citizens, in which the private sector has a prominent role. Ahmed Al Makhaini member of the Economy and Society theme said that the key issues for the theme are leadership, economic management, economic diversification, financial sustainability, labor market and operation, private sector, investment & international cooperation, smart cities, balanced development at the government, knowledge based economy, private sector empowerment, achieving balanced development at the governorates, environment sustainability and preserving environment.

**Governance and Institutional Performance**
Khalid Al Siyabi, member of the Corporate Governance and Institutional Performance Committee, said: “The Corporate Governance and Institutional Performance theme seeks to establish comprehensive governance in its legislation that is effective in its governance and is efficient in its performance.”

He added that the most important issues of the theme are the legislative, judicial and oversight system,
governance of the government apparatus, resources and projects. He noted that the focus will be on improving the effectiveness of governance, institutional performance and the rule of law, that an institutional framework that activates laws and practices that defines the links and interactions between stakeholders and helps in creating an effective and transparent accountability system and sets priorities for optimal and equitable distribution of resources.

**Effective dialogues and participation by businessmen**

Businessmen and businesswomen participated in the presentation of their proposals and their views on the three themes. Their inputs on the people and society theme focused on the importance of developing Omani people at different levels, whether in terms of knowledge or skills or production capability. The participation of business owners was more focused on the economy and development theme which has a direct effect on the private sector.

Ali bin Bakheet Kashoub said that the economy and development theme is very important and serves as a base for other themes and sectors. Such meeting is very important and that the participation of the OCCI in this meeting adds value and momentum.

Fatima Bint Jameel Al-Shabibiya, one of the businesswomen and head of the Business Pioneers Committee in South Al Batinah, said: “Such meetings reinforce many pillars to support the ideas and suggestions that improve sustainability, especially with the current economic situation.

“We are very pleased to come up with a consensus on how to find regulatory bodies that will facilitate and help develop the current situation. I hope that the regulatory bodies would consider facilitating procedures and opening wider horizons for entrepreneurs in the Sultanate. I thank and appreciate the efforts made by OCCI to promote business environment.
President of the Kenya Chamber: Oman is a major trading partner of the Republic of Kenya.

We aim to increase the volume of trade cooperation between the two countries through the OPEX.

The volume of the reciprocal trade is $65 M.

Facilitate communication between Omani and Kenyan businesses.

We look forward to organizing an exhibition for Kenyan products in Oman in 2019.

Interviewed by: Nasser bin Juma Al-Harthi

In an interview with Mr. Kiprono Kittony, National Chairman of the Kenya National Chamber of Commerce & Industry, he expressed his country’s interest in the Omani market and its keenness to make use of the OPEX 2018 in Kenya from October 29 to November 1, 2018.
How important is the visit of the Kenyan National Chamber of Commerce and Industry to the Sultanate?

The aim of our visit to the Sultanate is to increase the volume of trade cooperation between the two countries. During the visit, I met with HE Dr. Ali bin Masud Al Sunaidi, Minister of Commerce and Industry of Oman, HE Qais bin Mohammed Al Yousuf, Chairman of the Oman Chamber of Commerce and Industry and the OPEX Committee. We discussed the coordination of the participation of Omani businessmen at OPEX 2018 in Kenya, from October 29 to November 1, 2018.

What is your view on the nature of trade cooperation between the Sultanate of Oman and the Republic of Kenya?

Oman is a major trading partner. The relations between the two countries are deep rooted in history as they extend over 500 years now. We are happy to be here to increase the volume of exchange and investment. The trade volume between the two countries is currently $65 million. Oman exports to Kenya, oil, aluminum and glass products. Kenya exports include traditional wood, coffee, tea, pulses, and milk products in addition to medicines. Moreover, there is now direct air transport between Muscat and Nairobi and we want to maximize the benefit of this direct transport.

What opportunities would OPEX have in the Kenyan market?

The most important opportunities for the OPEX in Kenya are information technology, oil and gas and human resources. OPEX will provide Omani businessmen with the opportunity to have access to investment opportunities in Kenya such as establishing factories and others.

What aspects of cooperation that can be worked out between the Kenyan Chamber of Commerce and Industry and the Oman Chamber of Commerce and Industry?

We have an old memorandum of understanding (MoU) between the Oman Chamber of Commerce and Industry and the Kenya National Chamber of Commerce and Industry. We are developing the final draft for a new memorandum of understanding between the two chambers.

How can the Kenyan Chamber of Commerce contribute to the success of the OPEX and benefit businessmen?

The Kenya Chamber of Commerce and Industry will provide a wide range of services and facilities to ensure the success of OPEX 2018. We will facilitate venturing between the Omani and Kenyan companies and will provide all the preparations for the visit of the high-level delegation from Oman to Kenya. We will provide every possible support to enhance cooperation between the two countries, and we will use various media and social networking platforms to market the event.

What is your overall impression of the Sultanate’s market and the meetings you have conducted?

The results of our meetings were very positive, and we look forward to holding an exhibition of Kenyan products in the Sultanate of Oman in 2019. There are two vital commercial lines between the Republic of Kenya and the Sultanate of Oman, one of which is a maritime connecting a number of ports in both countries and the second is the air route connecting the two capitals.
Heavy oil and the future of industries
### Dr. Mohammed bin Hamad al Romhi, Minister of Oil and Gas
- The private sector shies away from being a developer and investor in oil and gas projects. It prefers to have service contracts.
- $70-$80 per barrel is appropriate for 2019 budget.
- The gas pipeline between the Sultanate and Iran is looking for an investor.

### Sheikh Mohammed bin Khalifa al Khalifa, Minister of Oil in the Kingdom of Bahrain
- Within the region, Oman was the first to invest in heavy oil and we have a lot to learn from them.
- Heavy oil could be in heavy demand, at least in the short term, as a result of implications of the light tight oil phenomenon in North America.

### Dr. Ali al Ghaithi, Director of Oil Engineering at PDO
- Heavy Oil is expected to contribute by 25% of the Company production by 2025.

### Dr. Saleh bin Ali al Anboori, Director General of Planning and Studies at the Ministry of Oil and Gas.
- Heavy oil contributes to by 15% of the Sultanate’s production and 20% of the world production.

### Luca Bertelli, Chief Exploration Officer of Eni
- Digitalization can help further improve our industry to become more efficient, lower our unit operating costs, and enhance our safety standards.

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His Excellency Dr. Mohammed bin Hamad Al Rumhy, Minister of Oil & Gas of the Sultanate of Oman, and His Excellency Sheikh Mohammed bin Khalifa Al Khalifa, Minister of Oil of the Kingdom of Bahrain, officially opened the 2018 edition of the World Heavy Oil Congress & Exhibition (WHOC) at the Oman Convention and Exhibition Centre. More than 3,000 international industry professionals and experts met, discussed, and deliberated the transformation of the heavy oil value chain and the future of the world’s energy mix.

In his opening remarks, H.E. Al Rumhy said, “Oman did not slow down during the 2014-18 oil drops. The fear was always that the reduction in investment, specifically in exploration, was going to hit us hard but we stayed the course and proceeded with our previous plans with the support of the government, shareholders, and oil and gas companies operating in the country. As a country, we took the right decision to focus on investment and that has helped us in the end.”

He added, “Both the public and private sector have a responsibility. With greater private sector participation and the optimization of ecosystems of our economy versus prioritizing profits, we can together further advance our industry forward.”

He added that the world oil market faces a number of threats by exporters and suppliers which may lead to commercial wars. He noted that three States out of the 26 States which signed the oil production reduction deals have the ability to increase production namely Saudi Arabia, Kuwait and U.A.E. He expected oil price to remain between $70-$80 per barrel and that there will be no price hike this year.

He added that the private sector shies away from being a developer and investor in the oil and gas sector and prefers to enter into service contracts. He noted that the price of one barrel of oil between $70 and $80 is suitable for the State budget 2019.

The gas pipeline between the Sultanate and Iran is looking for an investor. He expected the U.S sanctions will affect this project.
Light Tight Oil

H.E. Mohammed bin Khalifa al Khalifa, Minister of Oil in the Kingdom of Bahrain said that Heavy oil could be in heavy demand, at least in the short term, as a result of implications of the light tight oil phenomenon in North America. “Within the region, Oman was the first to invest in heavy oil and we have a lot to learn from them.”

Cooperation with universities and organizations

Welcoming participants from all around the globe, Congress Chairmen Dr. Ali Al Gheithy, Petroleum Engineering Function Director at Petroleum Development Oman, and Dr. Saleh bin Ali Al Anboori, Director General of Planning and Studies at Oman’s Ministry of Oil & Gas, highlighted the Sultanate’s growing role on the global stage in spearheading innovation to maximize heavy oil production.

“The world is awash with heavy and extra heavy oil deposits, in excess of one trillion barrels. It currently accounts for 12-15% of total global production and there is significant recoverable potential to be unlocked. Technology and collaboration will be the key,” expressed Dr. Al Gheithy. “Heavy oil and enhanced oil recovery (EOR) form an important part of Oman’s oil mix. It is anticipated that by 2025 about 25% of PDO’s production will come from EOR projects. We’ve partnered with Omani universities and academic institutions to develop and further advance our research and development programs to not just keep up with the technological innovations but also to pioneer and lead this disruption.”

The Future of Heavy Oil

Dr. Saleh bin Ali al Anboori, director general of planning and studies at the Ministry of Oil and Gas said, “The Congress provides a global platform for the entire heavy oil value chain to convene, connect, and engage in conversation. The event offers heavy oil professionals unparalleled opportunity for knowledge exchange through a three-day technical conference on topics from upstream, midstream, and downstream heavy oil operations, and heavy oil research and technology. The technical conference is steered by the technical committee. He noted that heavy oil contributes to 15% of the Sultanate’s production and 20% of the world production. This may increase to 25% on the world level in 2025.

He added that the easy oil reserves are about to be over and that the future today is for heavy oil. The ministerial session at the Congress pointed out to the alternate energy which may take longer period to replace the traditional energy. The 20 sessions of the Congress discussed all details related to the heavy oil chain starting from the upstream to the downstream.

We need to devise technologies to reduce high cost of heavy oil. The oil and gas companies should allocate part of their budgets to introduce new services and technologies to reduce cost. He affirmed that heavy oil represents the future therefore we need to keep pace with the expansions of the existing refineries. The Sultanate has expanded Sohar Refinery to keep pace with such development. Duqm Refinery will also receive part of the heavy oil because the future points out to the fact that most oil products will be from the heavy oil and not the light oil.

He added that the Sultanate, which hosts this conference for the first time, will benefit from heavy oil technologies and the added value of this type of oil. The alternative energy paid well today and that the biggest oilfield is operated with solar energy with plan to use solar energy in Mukhaizinah field.

Sessions

The Strategic Conference continued with a session on ‘Rethinking the Energy Operation Model: Agility, Adaptability & Global Cooperation in Redefining the Future of E&P’. The panel of distinguished speakers included: Dr. Bakheet Al Katheeri, CEO of Mubadala Petroleum, Luca Bertelli, Chief Exploration Officer of Eni, Steve Kelly, President and General Manager of Occidental Oman, Amran Marhubi, Technical Director of Petroleum Development Oman and Steven Moss, CEO of Glass Point Solar.

“Heavy oil is a conventional resource that deserves special attention. We always try to apply the most advanced techniques to increase the amounts of recovery of heavy oil and to do it in the most efficient way possible. Digitalization can help further improve our industry to become more efficient, lower our unit operating costs, and enhance our safety standards,” expressed Bertelli.
A key highlight of the day was Glass Point Solar’s announcement of Solaris, a new technology center in partnership with Petroleum Development Oman. Standing for solar research, innovation and sustainability in energy, Solaris will develop and test next generation solar technologies in the oilfield environment.

**Integration of sources of traditional and renewable energies.**

“We believe in the importance of increasing integration between traditional and renewable sources of energy, which gives oil producers many advantages and opportunities,” said Marwan Al Shaar, Vice President of Project Development at Glass Point Solar.

“Economic aspects are the main engine of renewable energy efforts in oil extraction, in addition to being environmentally friendly. “Our Glass Point technology has proven successful as it has been applied for years in the oil fields around the world, and we continue to innovate in every part of this technology to maximize its utilization while minimizing operational costs. The best current practices in the sector seek to develop them to enhance the level of safety and ease of operation. The integration of EOR technologies and renewable energy sources will play an important role in the future of the energy sector and will meet the growing demand that will result from the projected population growth over the next two decades,” said Parkas Pardasani, Middle East Development Director at Mott MacDonald. “There will be no absolute dependence on an energy source, but it will bring diversity and integration into the future and we will see real integration between oil, gas, coal and renewable energy.”

Dr. Ismail Mustafa, Director of Reservoir Engineering at Baker Hughes said: “The technology is witnessing a great and remarkable development. Our role is to keep abreast of these developments and to implement them as they will have a significant and active role in the marine heavy oil production sector.”

**Achieving sustainability**

The participants also discussed a number of topics including research and development, field analysis and the impact of global decisions on the heavy oil sector. “Countries in the Middle East are making efforts to keep up with the changes in the global economy and the ongoing diversification in terms of growing demand and supply plans,” said Mustafa Ansari, economist at Arab Petroleum Investments Corporation (APICORP). “However, oil remains an important factor. The countries of the region will continue their focus on meaningful investments in the oil and gas sector as a cornerstone for development and growth.”

“The oil and gas sector is aware of the need to catch up with these developments and deal with them with all flexibility, so they need to maintain the level of competitiveness and at the same time cooperate with the private sector to encourage investments. This will enable them to produce and achieve sustainability at the local and international levels.

**Solaris**

Glass Point Solar, the leading developer of solar-powered oil recovery, launched in partnership with PDO, its new technical center under the name Solaris. The center specializes in solar energy research, innovation and energy sustainability. It is a joint initiative that aims to develop and test the next generation of solar energy technologies in oil fields.

Solaris will focus on reducing costs, including new concepts and designs that will reduce material costs, facilitate the integration of solar energy technologies into the oil fields and automate their various operations. The center will test and evaluate solutions for using solar energy in other manufacturing processes in Oman and around the world.

“At Glass Point, we continue to innovate with our technology to meet the needs of our customers. With valuable support from PDO, new technologies and materials developed in our laboratories will be used more widely in the desert fields,” said Steven Moss, CEO of Glass Point.

He added: “We were the first to design solar steam generators specifically for the oil sector, and through our cooperation with PDO, we will continue our joint efforts to test, develop and apply our solutions in oil fields and other fields.”
SAJ Farm Inn is a new tourist product that enhances the role of the tourism sector in Ash Sharqiyah North Governorate.

UNIQUE SERVICES

Interviewed by: Ibtisam Al Saadia
SAJ Farm Inn is a new tourist enterprise added to the list of leading tourism enterprises in the Sultanate.

The enterprise, which was recently opened in Wilayat Ibra, is characterized by its unique services. Its facilities include swimming pools, water games, a playground, an indoor walkway, a restaurant, a meeting hall, bedrooms and private suites. SAJ Farm Inn has other facilities for family and family gatherings.

 Integrated Tourist Enterprise

“Al Ghorfa” magazine interviewed Salem bin Abdullah Al-Ghufaili, the owner of SAJ Farm Inn. At the beginning of the interview, he talked about the location of the enterprise, which is about 15 km from the circular exit after the Sports Complex and the Hospital in Ibra towards Al-Mudheibi.

 Innovative Design Featuring Modernity

Al-Ghufaili explained that his previous work in major economic projects gave him the leading experience in adopting this tourist enterprise. Travel abroad gave him the opportunity to get acquainted with similar tourist enterprises. Therefore, upon establishing the enterprise, he chose appropriate requirements, financial needs and resources. He completed the administrative requirements and implemented according to the timetable. In addition, he designed the enterprise with innovative engineering methods characterized by modernity to meet the needs of the tourism sector and achieve greater returns from domestic tourism.

 The Challenges

Mentioning the challenges that the enterprise faced, Al-Ghufaili pointed out that the challenges were at obtaining the necessary approvals and identifying the funding methods. Thus, every enterprise needs periodic follow-up and direct supervision by the owner. The resort and the services it provides required a distinctive architectural style and innovative layout that create a good image to the tourists.

Al Ghufaili added that he is also seeking to find suitable and effective solutions for marketing, promotion and price fixing for SAJ Farm Inn being located in a remote area. Prices should match the market demand. In addition, they are endeavoring to manage SAJ Farm Inn by contacting the competent authorities to strengthen the network and provide water lines, so that they can ensure that the SAJ Farm Inn’s visitors and service providers have the best services. They also make efforts to achieve electronic connectivity to facilitate direct booking at SAJ Farm Inn.

 Keeping Abreast of Developments

Al Ghufaili aspires to achieve the success and prosperity of the enterprise, drive the investment in small and medium enterprises in A’Sharqiyah North Governorate and that his tourist enterprise leads to major tourist enterprises. He also aspires to keep up with the world tourism, which is witnessing a remarkable development and strong competition.

Concluding the interview, Al Ghufaili thanked the Ministry of Tourism and the Ministry of Manpower for providing support to entrepreneurs and businessmen in the Sultanate.
As part of the development of the Omani private sector, Oman Chamber of Commerce and Industry, Rustaq branch in Al Batinah South Governorate, strives to be a key partner in sustainable economic development. It is always keen to support and develop the private sector locally and internationally through the tools and programs available to push the economic development process in the Sultanate.

Al Batinah South Governorate is known for its economic nature since ancient times. It is considered one of the most important and oldest markets known in the Sultanate. The history of the old Rustaq market is an example of the history of this area since ancient times.

Nowadays, the Ministry of Tourism tends to develop some of the tourist areas in the governorate such as Ein Al-Kasafa, Balad Sayt village, Al-Hoqain waterfalls and Wajma village in Wadi Al-Sahtn in Rustaq. It also tends to develop some castles and fortresses in the governorate due to the touristic and economic nature of the governorate.

Investment Opportunities

The Chamber plays an important role in looking for investment opportunities in the governorate and to provide the private sector with the tools, means and directions to upgrade the enterprises and businessmen. It also adopts the proposals and present them to the official authorities.

In addition, the Chamber’s branch in Rustaq organized Al Batinah South Investment Forum at Al Nahda Resort in Wilayat Barka under the patronage of His Excellency Sheikh Saif Bin Mohammed Al-Shabibi, Minister of Housing. The Forum was held believing in economic factors of the Governorate and due to the abundance of investment opportunities.

It was necessary to highlight these opportunities and stimulate the private sector to exploit them successfully. The Forum aimed at reviewing the available land for investment owned by some institutions in the public and private sectors. Furthermore, it discussed the possibility of investing the land by the private sector. They were about 40 plots of land with a total area of 2.5 million square meters and distributed to all wilayats of Al Batinah South Governorate. The Forum targeted businessmen and businesswomen in the region.
Some bodies participated in the presentation of their lands such as the Ministry of Regional Municipalities, Water Resources, Ministry of Tourism, Ministry of Awqaf and Religious Affairs, as well as the Ministry of Sports Affairs, the General Authority for Craft Industries and Al Raid Real Estate Services Company. The lands represented amounted to 40 plots with a total area of 250,735 square meters.

In addition, the Forum discussed the mechanism of benefiting from the proposed lands and the terms and conditions to be followed by the investor. It also sought to lay the foundations that allow in the coming years to promote our national economy, achieve high growth rates and create sustainable employment opportunities for youth. The Forum included a series of events and working papers submitted by the Ministry of Tourism, the Ministry of Regional Municipalities and Water Resources, the Ministry of Religious Affairs and the General Authority for Craft Industries.

Eng. Hamoud bin Salem Al-Saadi, Chairman of the Chamber branch in South Al Batinah Governorate, said that the Forum was in line with the activities carried out by the branch throughout the year, which contribute to the development of the entrepreneurial atmosphere in the governorate.

Ahmed bin Abdullah bin Ali Al Owaisi, Chief Executive Officer of Al Raid Real Estate Services said that investment is a fundamental pillar of the development of the national economy due to the Sultanate’s investment resources. Therefore, the investment opportunities are varied and in various fields. We, in Al Raid Real Estate Services, support this economic trend by providing advantages and facilities for investors.

Encouraging Investment

It is well known that South Al Batinah Governorate is rich in diversity of terrain, which has large areas ready for various uses of agricultural, commercial, industrial and even in tourism purposes. What encourages investment in the governorate is its possession of important tourist destinations, such as Wilayat Al Rustaq, Nakhl and Wadi Al-Mawal in addition to other attractions. Believing in the importance of the private sector in the development and investment, the participants in the Forum initiated investment in lands of about half a million square meters prepared for different areas of use.

There is no doubt that the Forum was an opportunity for investors and owners to meet and learn about investment opportunities. Entrepreneurs should take advantage of such opportunities by attending forums and meeting with officials and decision-makers. The advantage of attending such events is to discuss the challenges and opportunities for investment and development and to contribute to advancing development towards further development.
Al-Ajmi:

Al-Kawthar Bakery seeks to implement Omanization policy for our absolute belief in the competence of Omani youth.

RESOLVE FOR CHANGE

Interview by: Hammoud Al Breiki

Al Kawthar Bakery was inaugurated in Wilayat Liwa under the patronage of His Excellency Qais bin Mohammed Al Yousuf, Chairman of the Board of Directors of OCCI. The Chamber magazine interviewed Ibrahim bin Ali bin Obaid Al-Ajmi, the owner. He discussed the project, its beginning and its various branches in the Sultanate’s governorates. Al-Ajmi also mentioned the future plans to expand the distribution scale in 2019 to cover Dhofar Governorate and the expansion of the enterprise in the Gulf countries as part of its goals in the future plans.

First, would you give us a notion about your experience in the private sector?

Working in the Private Sector is an enriching experience as it teaches the person the leadership, discipline and how to deal with difficult situations. In my experience as an entrepreneur, I have encountered great difficulties in managing the project, but the support of my children helped me a lot due to their experience in this field. We cooperated until we achieved our goal.

Would you tell us about the beginning of the enterprise and its development?

The foundation stone of the enterprise was laid in April 2016 and the main center was inaugurated in August 2018 under the patronage of HE Qais bin Mohammed Al Yousuf, Chairman of the Oman Chamber of Commerce and Industry. The enterprise cost was about RO 250,000. It passed through stages starting by the experimental stage of the automated equipment and then choosing the appropriate conditions and making adjustments required until producing the products currently available.

We know that most of the workers at Al Kawthar Bakery branches are Omani. How did you train them to deal with the manufacturing equipment? How do
you assess their performance?
The employees undergo periodical intensive training courses to be prepared for dealing with equipment and machines. These courses have contributed to the development of the employees’ performance. We are always keen to create the conditions for the employees and help them to receive the information clearly and accurately.

Some entrepreneurs complain about the existence of bureaucratic obstacles to the private sector when setting up a project. What obstacles did you face at the start of the project? How did you overcome them?
Obstacles and challenges are possible in all projects, but your job lies in the ability to control them and respond positively. Based on our experience in entrepreneurship, we have a knowledge of how to overcome and reduce such obstacles.

How do you manage the project, especially in terms of production and distribution mechanism in different branches?
Operation and production of our factories are managed in our branches in Wilayah Liwa, Al-Musannah and Al-Mudhaibi. The branches distribute the production to different governorates and regions of the Sultanate. Dhofar is one of our future plans destination.

How can we encourage Omani youth to work in the private sector and contribute to national development through the establishment of projects based on national resources taking your successful experience into consideration?
We all recognize the importance of the private sector and how it contributes to raising the level of income of individuals as well as contributing to the development of the national economy. In this sense, we encourage every Omani entrepreneur who has an idea, even if it is simple, to start his own project. Obstacles and challenges will be there for every entrepreneur, but with his determination and willingness to achieve, he will be able to overcome them. The Omani youth should have self-confidence and take the opportunity to innovate both in the field of entrepreneurship and in other fields.

What are your suggestions for developing the entrepreneurial environment in Oman?
The most important suggestions are to raise the level of government support and facilitate procedures that may be a barrier to entrepreneurs through periodic meetings with entrepreneurs and businessmen to identify the challenges they may face, and thus submit their proposals to the competent authorities.

Do you have any future plans to expand the project?
Sure, we are currently testing long term products for our product list. Our future plan is to expand distribution by 2019 to Dhofar, and then we hope to expand the enterprise in the Gulf countries. As for the factories, we started equipping a factory in Wilayat of Ibi in the governorate of Al Dhahira. Finally, the Bakery seeks to implement Omanization policy by increasing the number of Omani workers compared to expatriates. We believe in the competence of Omani youth in project management.

The government is making great efforts to motivate the youth to get involved in the private sector. What advice would you like to give young people to start their own businesses?
They should study all the respects of the enterprise to avoid future damage, and be familiar with all matters and details of the enterprise in terms of following governmental or other procedures, making future plans for the enterprise and following the policy of Omanization.
Study

Labour Productivity in Oman: A Guide to Economic Diversification

A Research paper submitted to the Economic Studies Award 2016
Oman Chamber of Commerce & Industry

“"We review the details of the study which was published last issue. This part discusses the outcomes in terms of growth in labor production, the sector contribution to the labor production and Omanization at the private sector”.

1. DISCUSSION OF RESULTS

Table 2 summarizes the labour productivity calculations using equation (1). It is worth noting upfront that labour productivity is a long-term concept and, as such, should be analyzed over a long interval of time. However, due to data limitations, we only consider the period 2010-2014, and base our analysis on the average labour productivity during this period to smooth out cyclical fluctuations and measurement errors. Table 2 reports the average labour productivity along with its average growth and the growth real output and employment. The growth in labour productivity is approximately equal to the growth in real output less the growth in employment.

1.1 Level and growth of labour productivity

If we ignore the Mining and Quarrying sector, then the average labour productivity in the remaining seven sectors during 2010-2014 is approximately RO. 31,000 (80,000 US dollars) worth of annual real output per worker. The Mining and Quarrying, which includes the production of crude oil and natural gas, is far apart from the other sectors (i.e., ten times higher than the average labour productivity of the remaining seven sectors). This is due to its rentier nature and capital intensity.

The labour productivity of the Manufacturing sector is above the average of the private sector, while Construction exhibits much lower labour productivity (only 20% of average labour productivity in the private sector). The employment structure can help explain this sharp contrast. The manufacturing sector is the largest non-petroleum sector in Oman’s economy in term of real output, while the Construction sector has the highest share of foreign labour among all the economic sectors with more than 50% of foreign labour working in this sector. Among service sectors, Financial Intermediation stands out with the highest labour productivity, Transport, storage and communication has also a remarkable labour productivity level, whereas Hotels and Restaurants sector exhibits the lowest labour productivity in the private sector.
Table 2: Average labour productivity by economic sectors during 2010-2014.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Average labour productivity (RO per worker)</th>
<th>Growth in labour productivity (%)</th>
<th>Growth in real output (%)</th>
<th>Growth in employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining &amp; quarrying</td>
<td>313,121</td>
<td>-5.3</td>
<td>3.0</td>
<td>7.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>43,381</td>
<td>-6.9</td>
<td>2.4</td>
<td>12.5</td>
</tr>
<tr>
<td>Construction</td>
<td>6,593</td>
<td>-1.6</td>
<td>7.2</td>
<td>11.5</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>13,388</td>
<td>-1.2</td>
<td>8.1</td>
<td>8.1</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>4,083</td>
<td>0.7</td>
<td>11.0</td>
<td>11.0</td>
</tr>
<tr>
<td>Transport, storage and comm.</td>
<td>54,000</td>
<td>-4.4</td>
<td>10.1</td>
<td>13.4</td>
</tr>
<tr>
<td>Financial intermediation</td>
<td>76,054</td>
<td>5.3</td>
<td>8.0</td>
<td>2.7</td>
</tr>
<tr>
<td>Real estate, renting and bus.</td>
<td>17,697</td>
<td>-5.1</td>
<td>4.0</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations.

Figure 1 depicts labour productivity (in Omani Rials of real output per worker) for the period 2010-14 for each of the eight economic sectors. As observed from Figure 1, labour productivity has shown improvement between 2010 and 2011 for all sectors. This is mainly due to the decline in Omani employment in the private sector in 2011 after the generous employment opportunities offered for nationals in the public sector. However, after 2011, labour productivity has shown a downward trend in almost all sectors. The boom in oil prices during 2011-14 enabled significant hikes in public spending, which also increased the number of low-skilled migrant workers in many sectors. As a result, labour productivity deteriorated during the period 2012-14. Table 2 shows that the increase in employment was, on average, greater than or equal to the increase in real output for all sectors, except for Financial Intermediation.

Table 3 presents the calculation of labour productivity by decomposing the growth in labour compensation into changes in employment, changes in cost of living, and changes in labour productivity. The results are strikingly in accord to those obtained using the volume measure of labour productivity (real output/labour input). These results confirm the downward trend of labour productivity in the private sector. Table 3 also reveals that the substantial growth in employment in the private sector was not proportionately matched by increase in real output and labour compensation, resulting in lower labour productivity and production efficiency.

All in all, Oman’s economy-wide as well as sectoral output per employee remains low and declining, suggesting inefficiencies, or less-than-ideal production processes. The achieved gains in labour productivity have only been in few sectors, namely Mining and Quarrying, Financial Intermediation, and Transport, Storage and Communication. The substantially higher labour productivity in the Mining and Quarrying may have contributed to the unfavorable decline in the productivity and competitiveness of other lagging sectors. This is to say that the growth in most sectors was not driven by growth in labour productivity, but rather by increase in employment resulting from greater public spending.

Table 3: Average labour productivity calculated using a decomposition of labour compensation by economic sectors during 2010-2014.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Growth in labour productivity (%) using equation (1)</th>
<th>Growth in labour productivity (%) using equation (2)</th>
<th>=</th>
<th>Growth in labour compensation (%)</th>
<th>-</th>
<th>Growth in employment (%)</th>
<th>-</th>
<th>Average Inflation rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining &amp; quarrying</td>
<td>-5.3</td>
<td>-2.5</td>
<td>9.3</td>
<td>7.7</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-6.9</td>
<td>-6.2</td>
<td>8.8</td>
<td>12.5</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>-1.6</td>
<td>-2.5</td>
<td>11.5</td>
<td>11.5</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>-1.2</td>
<td>-2.0</td>
<td>8.6</td>
<td>8.1</td>
<td>2.5</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Hotels and restaurants</td>
<td>0.7</td>
<td>-9.1</td>
<td>4.4</td>
<td>11.0</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport, storage and comm.</td>
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<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial intermediation</td>
<td>5.3</td>
<td>8.8</td>
<td>14.1</td>
<td>2.7</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real estate, renting and bus.</td>
<td>-5.1</td>
<td>-5.2</td>
<td>7.4</td>
<td>10.1</td>
<td>2.5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ calculations.
Source: Authors’ calculations.

Note: labour productivity is calculated as in equation (1).

Figure 1: Labour productivity for economic sectors during 2010-2014.
1.2 Sectoral contribution to overall labour productivity

If we consider these eight sectors only, then aggregate labour productivity of the private sector is the average of the productivity in all sectors, weighted by the share of employment in each sector. Therefore, economy-wide labour productivity can be raised by productivity growth within sectors, labour shift from less productive to more productive sectors, or both. A key question is to what extent aggregate productivity growth can be explained by the performance specific sectors or labour reallocation across sectors. A decomposition of aggregate productivity growth provides a picture of how changes in sector productivity and sectoral reallocation of labours affect economy-wide productivity. Table 4 shows the relative contribution of each of the eight sectors to the overall labour productivity of the private sector. The largest contribution is from manufacturing and construction sectors. The high contribution of manufacturing is due to largest decline in own labour productivity (-6.6%). However, the contribution from Construction is due to its substantial share of employment. Although the Financial Intermediation has shown a steady growth in labour productivity during 2010-2014, its contribution has not been significant due to its small relative share of employment.

Table 4: Sectoral contribution to overall labour productivity in the private sector during 2010-2014.

<table>
<thead>
<tr>
<th>Economic Sector</th>
<th>Average Growth in Labour Productivity (%)</th>
<th>Share of Employment</th>
<th>Contribution to Overall Labour Productivity (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining &amp; quarrying</td>
<td>-5.3</td>
<td>0.026</td>
<td>-0.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-6.6</td>
<td>0.118</td>
<td>-0.8</td>
</tr>
<tr>
<td>Construction</td>
<td>-1.6</td>
<td>0.420</td>
<td>-0.7</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>-1.2</td>
<td>0.136</td>
<td>-0.2</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>0.7</td>
<td>0.057</td>
<td>0.0</td>
</tr>
<tr>
<td>Transport, storage and communication</td>
<td>-2.8</td>
<td>0.028</td>
<td>-0.1</td>
</tr>
<tr>
<td>Financial intermediation</td>
<td>5.3</td>
<td>0.013</td>
<td>0.1</td>
</tr>
<tr>
<td>Real estate, renting and business activities</td>
<td>-2.6</td>
<td>0.052</td>
<td>-0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0.850</strong></td>
<td></td>
<td><strong>-2.1</strong></td>
</tr>
</tbody>
</table>

Source: Authors’ calculations.

1.3 International comparison

ILO (2014) provides a detailed comparison of the average annual growth rate of labour productivity across three groups of countries: Advanced Countries (ACs); Developing Countries (DCs); and Least Developed Countries (LDCs), Table 5. The DCs show higher economy-wide labour productivity growth followed by LDCs. For the industrial sector, the LDCs appear to have outperformed both the DCs and the ACs in growth of labour productivity: output per worker increased at an annual rate of 3.1 per cent in the LDCs, compared with 2.8 per cent in the ODCs and 2.2 per cent in developed countries. Labour productivity in services has varied much less among the three groups. It did not show strong growth in any of those groups between 2000 and 2013, with an average annual rate of increase of only 0.4 per cent for the ACs. Output per worker in services grew faster than 1 per cent per year in the LDCs, compared with an average of 1.8 per cent per year for the DCs.

The average labour productivity growth of -2.1% of the private sector in Oman is much lower than the average growth in labour productivity by international standards. This reiterates our earlier finding of declining sectoral output per employee, suggesting inefficiencies and inefficient production processes.

Table 5: Annual growth rate in labour productivity during 2000-2013 (2005 constant purchasing power parity US dollars).

<table>
<thead>
<tr>
<th></th>
<th>Overall Economy</th>
<th>Industry</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Economies (ACs)</td>
<td>0.9</td>
<td>2.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Developing Countries (DCs)</td>
<td>4.3</td>
<td>2.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Least Developed Countries (LDCs)</td>
<td>3.3</td>
<td>3.1</td>
<td>1.1</td>
</tr>
</tbody>
</table>

1.4 Unit labour cost
Table 6 shows the unit labour costs, as suggested by equation (3). The Financial Intermediation has the highest unit labour cost among the eight sectors. This is not surprising, as usually the tradable goods sector and the services sector, particularly financial services, with high-skilled foreign workers and nationals are paid internationally competitive salaries, which are usually higher than public sector wages at similar skill levels. The Financial Intermediation also shows the highest growth in unit labour cost during 2010-14. This is consistent with its steady growth in labour productivity during the aforementioned period. Manufacturing, Construction, and Transport, storage and communication, and Real estate, renting and business activities, all exhibit similar trend of falling or stagnant unit labour cost. This is due to the substantial increase in employment with unmatched increase in labour costs. The increase in employment is due largely to low-skilled foreign labour with low labour productivity. It is also suggesting that low-skilled foreign workers are paid a reservation wage below their marginal labour productivity (IMF, 2014).

Table 6: Average unit labour cost (ULC) by sector during 2010-2014.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Average Growth in Labour Productivity</th>
<th>Unit Labour Cost (RO per Worker)</th>
<th>Growth in Unit Labour Cost (%)</th>
<th>Growth in Labour Cost (%)</th>
<th>Growth in Employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining &amp; quarrying</td>
<td>-5.3</td>
<td>15,531</td>
<td>2.9</td>
<td>10.8</td>
<td>8</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-6.6</td>
<td>2,019</td>
<td>-3.0</td>
<td>8.8</td>
<td>12</td>
</tr>
<tr>
<td>Construction</td>
<td>-1.6</td>
<td>1,182</td>
<td>-1.6</td>
<td>11.5</td>
<td>11</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>-1.2</td>
<td>4,533</td>
<td>-2.9</td>
<td>8.1</td>
<td>8</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>0.7</td>
<td>1,124</td>
<td>-1.6</td>
<td>11.0</td>
<td>11</td>
</tr>
<tr>
<td>Transport, storage and communication</td>
<td>-2.8</td>
<td>7,417</td>
<td>-6.0</td>
<td>6.4</td>
<td>13</td>
</tr>
<tr>
<td>Financial Intermediation</td>
<td>5.3</td>
<td>16,292</td>
<td>8.8</td>
<td>14.1</td>
<td>5</td>
</tr>
<tr>
<td>Real estate, renting and business activities</td>
<td>-2.6</td>
<td>5,184</td>
<td>0.7</td>
<td>7.4</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations.

1.5 Omanization in the private sector
As suggested in the literature review, there are many factors that determine the level and growth of labour productivity. These factors include technology, labour and capital intensity, education, work experiences, and skills of managers and workers, and inputs and output market structures, among others. As indicated earlier, the labour market in Oman, as in other GCC countries, is segmented. The national labour force is, on an average, more skilled. However, to reduce their labour costs, private companies prefer to import low paid labour, rather than building the skills of the national workforce. At the same time, to alleviate unemployment pressures, public spending has encouraged nationals to choose low productivity work due to the availability of well-paid public jobs. This imbalance has, thus, impacted the labour productivity in the private sector.

An important objective of economic diversification is to provide employment for nationals in the private sector. Table 7 presents the share of national workforce in the private sector. It can be observed from Table 7 that there is positive association between labour productivity and the Omanization rate (national employment as a percentage of total employment). For example, the Mining and Quarrying, Financial Intermediations, and Transport, Storage, and Communication have the highest Omanization rate and have also the highest labour productivity. It is also noteworthy that, in general, sectors with relatively higher growth in foreign employment has a negative growth in labour productivity (e.g., Manufacturing, Construction, Wholesale and retail trade, Transport, storage and communication, Real estate, renting and business activities). This observation should be addressed in government polices as falling labour productivity in the non-oil private sector does not impact nationals who are employed in the public sector.
2. CONCLUSION AND EXTENSIONS

Economic diversification is a condition for inclusive growth and sustainable development. The economic development literature suggests that a country cannot improve its economic sectors with a low labour productivity. Countries that attained high growth and rapid poverty reduction are those that were able to diversify their production structure and shift labour and other resources from the less productive to the more productive sectors.

Having said that, this paper is the first attempt to measure and analyze labour productivity across economic sectors in Oman. We measure labour productivity (using OECD standards) for eight economic sectors of the Sultanate, which are: Mining and Quarrying; Manufacturing; Construction; Hotels and Restaurants; Financial Intermediation; Wholesale and Retail; Transport, Storage and Communication; and Real Estate, Renting and Business Activities. The findings of this study have strong policy implications for Oman’s 2040 National Development Strategy. While, we acknowledge that labour productivity is not the only consideration in planning future economic transformation, nonetheless, it should be one integral dimension of a multifaceted framework. To that end, the statistical authorities should establish a detailed database of labour productivity and its components.

To improve labour productivity, Oman needs to invest in education and training, as well as reducing the attractiveness of public sector employment, to prepare a more highly skilled and highly motivated workforce of Omanis to compete for high-skilled jobs. The government should also focus on targeted support for industries with higher labour productivity by providing subsidies, loans, tax incentives, infrastructure, human capital development, and trade protection.

This study can be extended by conducting a labour survey at the industry level. The data obtained from the survey can be used to decompose aggregate labour productivity into two components: within-the-sector productivity changes and the reallocation of employment from low-productivity to high-productivity sectors. This will provide indispensable feedback to government policies that aim to diversify the production structure and shift labour and other resources from the less productive to the more productive sectors.

Table 7: Labour productivity and employment structure by economic sectors during 2010-14.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Average Labour Productivity (RO per worker)</th>
<th>Average Growth in Labour Productivity (%)</th>
<th>Growth in Total Employment (%)</th>
<th>Growth in National Employment (%)</th>
<th>Growth in Foreign Labour (%)</th>
<th>Omanization Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining &amp; quarrying</td>
<td>313,121</td>
<td>-5.3</td>
<td>0.08</td>
<td>0.09</td>
<td>0.06</td>
<td>60</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>43,381</td>
<td>-6.6</td>
<td>0.12</td>
<td>0.01</td>
<td>0.15</td>
<td>13.1</td>
</tr>
<tr>
<td>Construction</td>
<td>6,593</td>
<td>-1.6</td>
<td>0.11</td>
<td>0.04</td>
<td>0.13</td>
<td>10.1</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>13,388</td>
<td>-1.2</td>
<td>0.08</td>
<td>0.01</td>
<td>0.11</td>
<td>19.7</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>4,083</td>
<td>0.7</td>
<td>0.11</td>
<td>0.03</td>
<td>0.13</td>
<td>10</td>
</tr>
<tr>
<td>Transport, storage and communication</td>
<td>54,000</td>
<td>-2.8</td>
<td>0.13</td>
<td>0.05</td>
<td>0.18</td>
<td>33.3</td>
</tr>
<tr>
<td>Financial Intermediation</td>
<td>76,054</td>
<td>5.3</td>
<td>0.05</td>
<td>0.05</td>
<td>0.04</td>
<td>81.2</td>
</tr>
<tr>
<td>Real estate, renting and business activities</td>
<td>17,697</td>
<td>-2.6</td>
<td>0.15</td>
<td>0.08</td>
<td>0.18</td>
<td>26.5</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations.
OCCI branch in Rustaq launches SMEs & Student Company Award to maximize their role in economy

Prepared by Shafiqa bint Ali al Shibiyah

The Award aims at training and rehabilitating participants in the basic training fields.

The national economy of any country has been and is based on Small and Medium Enterprises (SMEs) which are the bases for all national economies’ quotes from H.M Sultan Qaboos Bin Said.

Realizing the importance of promoting SME sector and enhancing its role in the development of national economy and in a bid to integrate the real public private partnership, the 1st version of OCCI Award for SMEs and Student Companies was launched.

The award is in line with the activities implemented by OCCI throughout the year in a bid to develop the business environment. The SME Award aims at activating the role of SMEs in the growth of national economy in general and South al Batinah Governorate in particular. It also seeks to enhance competitiveness among the various establishments to ensure better quality and more creativity.

The Award also seeks to highlight the role of the SMEs and encourage them to reach better levels. The interested companies should have a valid commercial registration and should be operating in the market for at least one year. It should also have a valid OCCI membership and a permanent address in the governorate. Moreover, the enterprise should submit copy of the financial statements for the year 2017 and should be managed by Omanis.

Achieving added value

Eng. Hamoud bin Salem Al Saadi, Chairman of OCCI board in Rustaq
said that SME sector is one of the most vital sectors that contribute to the growth of the national economy and generate job opportunities for OMANIs which in turn contributes to diversifying sources of national economy. Efforts should be made to encourage SMEs to grow and become creative. We need also to encourage the SMEs and student companies to maximize their contribution to the growth of our national economy by encouraging to achieve added value to the national economy and contribute to economic diversification and promote innovation.

Entrepreneurship

On the other hand, Dr. Ahmed Al-Badri, Dean of the Faculty of Education in Al-Rustaq, said that the College, in cooperation with the Oman Chamber of Commerce and Industry branch in South Al Batinah, aims to enrich the culture of entrepreneurship in the area in an effort to increase its numbers and develop its system.

“This award encourages entrepreneurs by enhancing the competitiveness of Omani enterprises in the local and international market,” said Hamad Bin Salem Al Buaijsee, a member of the Board of Directors of the branch and owner of the Asyad Cargo and Integrated Services Corporation.

Objectives of the Award

The aim of the Student Companies Award, both at the level of higher education institutions and public education schools under the administrative of South Batina Governorate, aims to support and encourage these institutions in order to highlight their role in the society and contribute to their development to small and medium enterprises. The award also seeks to highlight the added value of these companies in the national economy. It also seeks to train and qualify participants in business fields through training programs and workshops.

The participating student companies should be accredited by the educational institution affiliated to it, and to provide evidence that they are active at the market. They should be also owned and managed entirely by the students enrolled in the educational institution. The student companies that qualify for the advanced stages of the competition are invited to submit presentations about the nature of their companies and to present the products to the committee composed of elite academics and businessmen in the area. The winners are selected depending on certain criteria fixed by the committee. The criteria include but not limited to the quality of their products, the marketing plans, the CSR and the added value.

The OCCI South Al Batina Award for SMEs and Student Companies aims at enhancing and promoting the culture of entrepreneurship. The Award seeks to create business opportunities and promote entrepreneurship. The Award should encourage the SMEs and student companies in the Governorate.

Supporting SMEs

“The Award encourages the student companies to promote their entities to become full-fledged SMEs or big companies that can compete at the local market,” said Mohammed Bin Saif Al-Zuhli, owner of Sanam Design and Production Company.

He added that encouraging the establishment and development of such companies reflects positively on the provision of multiple and renewable employment opportunities for young people, encouraging them to establish and implement their own projects, and devote them to managing and developing them. This will enable them to contribute to the development efforts in the Sultanate.
Innovation Park Muscat (IPM), an ambitious technology-driven R&D hub under development in Al Khoudh in Muscat Governorate, is urging local and international energy companies — encompassing both conventional and renewables based — to use the emerging hub as a base for their research and development activities. The project which stretches over an area of about 540,000 square meters is still under construction. Work is underway to create an innovation and scientific research-friendly environment and to build a new and deeper understanding for transition towards knowledge based economy which plays an important role in human capital development and national economy growth.

Knowledge Development

Innovation Park Muscat aims to develop and deepen knowledge by focusing on four primary areas: environment and water, energy and renewable energy, food and biotechnology, and health.

It aims to include researchers, innovators and entrepreneurs, and to encourage them to transform ideas into products of value and bring benefit to the individual, society and economy.

Stages of construction

The Department of Scientific Zones at The Research Council oversees the establishment of the Muscat Innovation Park, which will be built in three phases. Phase 1 of the sprawling hub, which will cover an area of 540,000 sq metres when fully rolled out, is currently under development. When operational, this
initial phase will house a cluster of three buildings as well as substantial incubation space for new start-ups.

The project has been approved after reviewing several successful experiences in this field. The building will include offices for administrators and consultants. It will also include business incubators on an area of almost 4,000 meters for entrepreneurs and owners of small and medium-sized companies.

The construction of the second building, which stretches over approximately 4,780 square meters, is under way. Work is also underway to build the manufacturing workshops which will be provided with all the equipment that will help to use the latest sciences and knowledge in the production of preliminary models of research and innovation ideas. The manufacturing workshops will play a role in development of ideas and taking them to their final form to meet the needs of the domestic and foreign markets.

The third building, which is allocated for social services, stretches over an area of approximately 1,800 square meters. It supplements the scientific area by providing places of entertainment in a friendly social and human environment. It is also an opportunity for communication and acquaintance to exchange experiences among the visitors of this building. It will include a restaurant, swimming pool and gymnasium for men and women.

**R & D Centers**

Underscoring the hub’s early appeal, the Oman Institute for Oil & Gas (instOG), a joint-venture between Takatuf Oman — the human capital development arm of Oman Oil Company (OOC) — and Schlumberger, a leading global provider of oil and gas contracting services, has set up operations at the Innovation Park Muscat. The state-of-the-art institute is dedicated to training and equipping engineers and geoscientists with the skills to develop, optimise and sustain Oman’s oil and gas resources. Local oilfield technology firm Enhanced Oil Recovery LLC (EOR), which specializes in optimizing EOR recovery in heavy oil fields, has also signed an agreement to establish a presence at the Park.

The second and third phases of the Park will include four research institutes in the four specialist areas of the Park. It will also include other facilities such as a hotel, an international school, and an entertainment center consisting of an indoor pool, restaurants, shops and gyms.

It is hoped that the Muscat Innovation Park will boost the economy of the Sultanate and raise awareness on the importance of information and harness technology to make radical changes in society. Hopefully, it will contribute to finding solutions for societal issues.

**Targeted Groups**

IPM targets several categories of investors: university graduates, highly qualified graduates, small and medium enterprises, international companies operating in the four identified sectors, individuals and groups.
MODELS FOR INNOVATIVE COMPANIES

Entrepreneurship Forum discusses establishing businesses and benefiting from IT models for innovative companies. For e-marketing and increasing awareness of e-commerce and digital economy.

Edited by: Nasser Juma Al-Harthi
The 3rd Arab Entrepreneurs Forum was organized at Sultan Qaboos Youth Complex for Culture and Entertainment under the theme “Digital Economy and Entrepreneurship”.

The opening ceremony of the three-day forum organized by OCCI branch in Dhofar Governorate in cooperation with Modern Talent Event Management LLC was sponsored by Sayyid Suleiman bin Hamoud al Busaidi, Deputy Secretary General of the Council of Ministers. A number of investors from the GCC states, Libya, Iraq, Sudan, Egypt, Lebanon, Jordan, Tunisia, Morocco and Malaysia.

The Forum aimed at increasing the awareness of the digital economy and the importance of electronic commerce and activating the role of the business sectors in the Sultanate and preparing them to market products and services through Internet. It also aimed at reviewing the legal and regulatory framework of electronic marketing to enhance competitiveness and ensure better access to the world markets and make the most of e-commerce and marketing.

The forum discussed a number of themes the most important of which are the digital economy, visions, prospects and the role of the digital economy in the development of small and medium enterprises. Besides reviewing the successful experiences, the forum was accompanied by a series of key events, including a specialized technical exhibition that reflected the creativity and innovation of youth in the Arab world.
The Forum also included a visit to the industrial estates and a free specialized training course to support young people. The event also included tours to brief visitors on the historic sites in Salalah, the Land of Frankincense.

While addressing the gathering, Sheikha Jawahir bint Khalifa Al Khalifa, Honorary President of the Forum pointed out that the report of the United Nations Conference on Trade and Development (UNCTAD) indicated that the value of e-commerce between companies reached $22.4 trillion while the volume of e-commerce between companies and consumers reached $2.9 trillion. This is due to the investments of international companies that have contributed in the field of electronic commerce and the presence of a fast growing sector of investment funds.

Husain Bin Hatheith Al Batahri, Chairman of OCCI, Dhofar Branch, said that this forum is an opportunity to benefit from the expertise of specialists in the 4th IT revolution. It also provides a platform to meet with investors and entrepreneurs from various Arab countries and create a number of benefits such as the formation of commercial partnerships and the identification of industrial zones, tourism and investment opportunities available to enhance the ability to attract investments.

On his part, Dr. Mansour bin Sultan Al-Toqi, Director of the Sultan Qaboos Youth Complex for Culture and Entertainment in Salalah and the strategic partner of the forum, reviewed the main roles of the Sultan Qaboos Youth Cultural and Entertainment Complex. He said the Complex aims to develop youth and their skills in various scientific, cultural, artistic and sports fields.

He noted that the forum provides opportunities for small and medium-sized youth organizations to showcase their organizational capabilities at the regional level. The quality of the activities carried out in the governorate contributes to tourism promotion in the Sultanate. He stressed the role of the Forum to provide training opportunities for a large group of young people in the technical field and qualify them to deal with the virtual worlds in various fields and the interaction with the Fourth Industrial Revolution (4IR) to provide employment opportunities and promote regional economic diversification.

**Digital Economy Visions and Prospects**

The first panel discussion was promoted by Amal bint Talib al Jahoriyah, a media woman. A number of prominent economic figures, including HE Abdul Rahim Naqi, Secretary General of GCC Chambers of Commerce, and Dr. Salem Bin Sultan Al Ruzaqi, Chief Executive Officer of the Information Technology Authority, Sheikh Ahmed bin Mohsen Al-Ghassani, Executive Chairman of the Public Authority for the SMEs Development “Riyada” and Ahmed bin Muslim Kashoub, Director General of External Affairs, Salalah Methanol took part in the session.

Dr. Amer Bin Awad Al Rawas, co-founder of Model Consultancy, presented the main working paper on the mental readiness of entrepreneurship through which he addressed the intellectual style of the entrepreneur and how to develop the thinking of the entrepreneur through raising awareness and then training and rehabilitation. He also talked about the skills and elements needed by the entrepreneur and reviewed some of the technical examples of the digital economy in the growth of small economies.

**Free courses for enriching participants’ skills**

The Forum included two-day free of charge training course by Modern Talent Event Management. The course, which is part of the company’s CSR, aimed at developing and enhancing the role of youths in society. The courses were presented by Dr. Khalid Mohammed Khalid who talked
about brain marketing strategies through the internet. Dr. Khalid Al-Ady spoke about creativity and innovation in the e-entrepreneurship. Hatem Al Wahishi reviewed the key strategic planning skills, the methods for taking right decisions through simulation. Nasser Tabuk’s course focused on the basics of web design.

Accompanying Exhibition
The Forum included an accompanying exhibition to recognize outstanding entrepreneurs. Twenty companies presented models of youth companies specialized in e-commerce, promotion and electronic marketing. Models and experiences of the voluntary institutions using the digital and electronic technology in their work were also presented. The book titled ‘Words from Heart’ by Amal Abdurrahman Al-Yarboua was also launched. The sponsors were honored during the event.

Panel discussion on the most successful experiences in entrepreneurship
A panel discussion was held on the second day of the forum, under the theme “Successful Experiences of a Group of Entrepreneurs”. The panel discussion was promoted by Dr. Abdullah bin Mohammed Al Ghazali, lecturer in the Department of Business Administration at the College of Technology in Salalah. He highlighted the meaning of the e-commerce, how to buy and sell goods, tourism services and education services and applications through the internet.

Dr. Abdel Wahab Ghoneim, an international consultant and vice president of the Arab Union for Digital Economics, presented a working paper entitled “Digital Orientalism in the Arab Countries.” He spoke about artificial intelligence and the volume of data inflation at the level of Arab countries, thus contributing to serving the world as a whole. During the second sessions, personal experiences in the field of entrepreneurship and the success of these experiments were presented to promote best practices.

Signing Agreements
A number of agreements were signed during the Forum including the partnership with Uranus Trade. The agreement was signed by Adnan Ali from Uranus and Amnah Al Awadi from Modern Talent Event Management. The agreement for the 4th Arab Entrepreneurs Forum was also signed between Arakan of Qatar and Modern Talent.

Recommendations
One of the most important recommendations of the 3rd Arab Entrepreneurs Forum is to establish a generation capable of dealing with technology and investing in such fields. This may be done by introducing the subject of the knowledge economy within the academic and university curricula. The Forum stressed the importance of reviewing economic legislations and laws.

The Forum stressed on the need to strengthen the technology and communication infrastructure in the Arab countries in order to enhance the youth orientation towards the knowledge economy in small and medium enterprises. It also called for facilitating the procedures and standards to meet the requirements of digital economy and its applications.

The Forum also recommended the preparation of a strategic study to assess the level of Arab countries’ readiness and awareness of the knowledge economy and determine the requirements for upgrade. It also called for allocating part of social responsibility programs to the private sector to support of projects of the digital economy. The forum also recommended the need to provide training and knowledge by economic institutions interested in entering to digital economy domain and help them to frame their ideas and guide them to serve the general economic trends of the state.
The Businesswomen Committee at OCCI branch in Al Dhahirah Governorate in cooperation with Successful Businesswomen Team of Ibri Sports and Cultural club organized the Successful Businesswomen Forum. The opening of the three-day long event was sponsored by Dr. Hissah bint Abdullah al Badiyah, member of the Omani Human Rights Commission. Al Ghorfa Magazine compiled some feedback on the event.

“The Forum reflects the approach of OCCI in Al Dhahirah Governorate with regard to supporting entrepreneurship. It also served as an ideal platform for businesswomen and producing families. The event is an important opportunity to develop skills”, said Maimuna al Majrafiyah, head of the businesswomen committee at OCCI branch in Al Dhahirah.

“More than 170 participants from the different wilayats of Al Dhahirah Governorate took part at the Forum.
which included a number of workshops on entrepreneurship and craft industries. The Forum acts as a link between OCCI branch in al Dhahirah and the Omani communities, she added.

“The Forum is an ideal opportunity to raise the awareness of the businesswomen in the wilayats of Iibri, Yanqul and Dhank of the importance of keeping pace with modern developments in project management. The project also aimed at enhancing economic awareness of entrepreneurs as well as marketing and sales professionals, said Hanai bint Saleem al Ghuraibiyah, Head of the Businesswomen Committee at OCCI branch in al Dhahirah Governorate.

Manal Bint Abdullah Al-Bahariya, one of the trainers in the field of photography, said: “The constructive role played by the OCCI in Al-Dhahirah has had a good impact on the success of this three-day event. I organized a number of workshops on the basics of photography and how to use the camera. A number of associated workshops were also held.

Amal Bint Saif Al Kalbaniya, one of the participants in the training workshops, said: “We were pleased to participate in the successful women’s forum, which is a good opportunity to introduce women entrepreneurs and productive families to activities and programs that enable them to raise their efficiency in business. We would like to thank the great efforts made by OCCI branch in al Dhahirah Governorate and the Successful Businesswomen Team of Iibri Sports and Cultural Club.”

The closing ceremony of the forum was held under the auspices of Saif bin Saeed Al Badi, member of the Board of Directors of the Oman Chamber of Commerce and Industry at Al Dhahirah Governorate.
While delivering his speech at the seminar organized by Oman Chamber of Commerce and Industry in cooperation with the Ministry of Agriculture and Fisheries and the French Embassy in the Sultanate, Qais bin Mohammed al Yousef, OCCI Chairman said that the fisheries sector is one of the prioritized sectors at the Sultanate’s ninth five-year. It is also one of five important economic sectors to be highlighted in the National Program for the Promotion of Economic Diversification (“Tanfeedh”). The Sultanate is the first on the Gulf region in the contribution of the agricultural and fisheries sectors in the GDP by 2.1%.

Supporting non-oil sectors

The workshop aimed to increase awareness and exchange of information and knowledge about fish farming projects, fisheries development, training and rehabilitation of fishermen to adopt to modern methods in such projects.

At the beginning of the workshop, the OCCI Chairman delivered the opening speech in which he pointed to the importance of increasing awareness and exchange of information and knowledge about fish farming projects. He also highlighted the modern mechanisms in marketing and promoting fish products.

He pointed out to the possibility of increasing the contribution of the sector to more than double during the coming period. He added that the size of investment opportunities available in this sector is very large, and underscored the importance of focusing on it because of its role in the future in supporting the large non-oil sectors on which the national economy depends. This is very vital because of the fact that the Sultanate only exploited 3% of the total marine biomass stocks, the report said.

He added that creating the conducive environment for fisheries projects is the first step to ensure the success of small and medium-sized enterprises and initiatives in this field. This workshop comes within the efforts made to create the conducive environment for the development of fish investments.

Transfer of knowledge and techniques

HE Dr. Hamad bin Saeed Al Oufi, Undersecretary of the Ministry of Agriculture and Fisheries, made a presentation of the projects and initiatives of the National Program for Economic Diversification (Tanfeedh) as well as the outcomes of these projects. He pointed out that seven companies from the French private sector operating in the various fields of fish farming, fishing and fishing industries along with more than 40 Omani private sector companies and some organizations take part at this seminar.
He pointed out that the workshop discussed the mechanisms of implementation of what has been agreed upon at “Tanfeedh” laboratories, as well as the progress made since the beginning of this year with regard to the outputs of the lab projects and initiatives, related to infrastructure. He pointed out that the workshop provides an ideal opportunity to brief the French companies on the investment opportunities in the Sultanate and invite them to invest in various fisheries projects. It also provides a platform for the transfer of knowledge and technology, which in turn will provide employment opportunities for Omani youth.

He pointed out that the performance indicators point out that the fisheries sector is one of the sectors that have achieved outstanding results in the projects carried out by Tanfeedh laboratories. There are weekly and monthly follow-up by various committees to ensure the implementation of projects as agreed and solve the problems, if any, with other institutions.

**Cooperation with the private sector**

As for the fishing sector, he noted that the ministry has granted 50 commercial fishing licenses for large commercial vessels. Omani commercial fishing fleets are expected to operate in the Indian Ocean early next year and operate at least 30 miles from the coast to avoid interference with Omani fishermen or causing damage to the coastal fisheries. The Ministry will also distribute express fishing boats that can make long fishing journeys – between three to four days. It will also rehabilitate the existing factories to invest in fish industries to export value-added products to markets that give better returns including the markets of the European Union, North America and Asian countries. There are 38 factories with quality certification for export to European countries, North America and Japan. There are 30 factories currently under rehabilitation by the Quality Control Centre of the Ministry of Agriculture and Fisheries to meet international requirements for food safety.

He pointed out that there is more than one program dedicated to artisanal fishermen in Tanfeedh program. One of these programs is the continuous support program and another program to introduce the developed boats to replace the current boats to ensure the continuation of workers in this sector and increase income and raise the standard of living for them.

He said that before the outputs of Tanfeedh laboratories, the public sector was the main player in the sector.

**Qais Al-Yousef:**

Creating projects conducive for fisheries will ensure success of initiatives and SMEs.

**Hamad Al-Oufi:**

Granting 50 commercial fishing licenses for very large vessels. We currently have 29 investment and fish farming projects at a cost of RO 656 million.

There are 38 ISO certified factories that can export to European countries, North America and Japan.

**HE Renaud Salin:**

We are ready to provide training and encourage French and Omani companies to invest in the fishing and aquaculture sector in the Sultanate.

Today, the private sector is responsible for this. He said that before Tanfeedh, the estimated value of the projects in the sector stood at RO 660 million. This figure will increase to RO 730 million in addition to RO 2,000 million for the fish farming projects. The total figure will increase to RO 1.3 billion by the end of 2023. HE also called on the French side to venture in this promising sector to serve the interests of the two countries.

**Opportunities for cooperation and partnership**

“I have visited Tanfeedh labs and followed the recommendations. I believe that we have a great opportunity for venturing in fisheries sector. France has recently succeeded in modernizing the fishing fleet,” said Renaud Salin, the French ambassador to the Sultanate in his speech at the workshop. He added that France has succeeded in updating its fleets and ensuring sustainability of the sector. We have a good experience in fish farming, technology and equipment. We are also ready to provide training and encourage French and Omani companies to invest in the fishing and farming sector in Oman.
As part of OCCI’s efforts in al Dhahirah Governorate to cast light on successful SMEs in the field of educational consultancy, Al Ghorfa magazine interviewed Naif bin Salem Al Abri, owner of the Educational Consultancy Center.

“I established my project in April 2018. I started with developing programs that help school or post graduate students. The center started with eight employees but we maintain cooperation with a group of qualified trainers who prepare students to take up IELTES exams and speak English fluently. We sought to improve the quality of education services rendered in al Dhahirah area,” said Naif al Abri.

Aims of the project

Al Abri pointed out that the project aims at providing education programs and consultancy services for the students of first and second cycles as well as post graduate students. The Center provides programs that help student understand the subjects and address the challenges they have. The Center also provides consultancy services for the bachelor, MA and Ph.D. students. We provide proof-reading services for the researches and articles submitted by the post graduate students. We also provide translation services to help in filling up questionnaires.

He noted that the Center aims to serve the community through the provision of free lectures and awareness sessions aimed at raising awareness of parents to bring up their children and how to encourage them to study. We also offer advisory programs to study English abroad (U.K and Australia).

Requirements for success

As for the most important requirements for the success of any project, Al Abri said: “Good planning and feasibility study before starting the project are the most important
elements of success. It is also very important to choose the right place that ensures easy access by everyone to the project. It is also very important to provide high quality training programs that will bring benefits to society. We need also to list to the views of the public and the target group of and take feedback from them. We need to be persistent and search for each new service that meets the needs of the target groups.

**Facing challenges**
As for the challenges facing the project, Naif al-Abri said: “I have had a hard time knowing the target groups of students and their parents, as well as the community in general. The project is specialized in educational counseling, which is a new activity in the Al-Dhahirah Governorate.

“I would like to thank the Oman Chamber of Commerce and Industry for its contribution in this field. The cooperation of the Ministry of Commerce and Industry has been highly appreciated. I also commend the efforts of those in charge of Invest Easy portal which was launched by the Ministry of Commerce and Industry. The licensing procedures were very simple and easy. We thank the efforts done by all relevant organizations.”

**Services in multiple languages**
“We aim to introduce new programs through training programs in some foreign languages such as German, Korean and Chinese. We are not only training beneficiaries in English, but we are also planning to make a quantum leap in the services offered by the Center by providing distance training or e-training so that students can receive training and benefit from our programs while at home. We will also help the target groups keep abreast of the information technology revolution that has become the mainstay of the economy and deal with the public. We have a plan to nurture talents through the provision of educational counseling and training, which falls within the social responsibility of the Center.

“Since the inauguration of the Educational Consultancy Center, we have provided more than five free lectures aimed at students, parents and the society in general. We also seek to participate in conferences, forums and specialized exhibitions in the field of training and SMEs to share knowledge with others and develop our services.”

**The Key for Success**
“I call upon young people to start their own projects that benefit both themselves and the society. Establishing ventures will generate multiple job opportunities for the entrepreneurs and their peers. The private sector is a promising sector that has abundant suitable opportunities. Each person needs to take the initiative and read about the field he/she is about to venture at. They need also to communicate with the experienced people in the same field. We need to provide high quality services that meet the needs of the public. We need also to be persistent to achieve our aims and aspirations. We wish good luck for everyone,’ he concluded.
Omani Korean Business Forum Meets

OCI received a Korean trade delegation headed by Lee Nak-yeon, Prime Minister of the Republic of Korea in the presence of Dr. Ali bin Masud Al Sunaidi, Minister of Commerce and Industry and Qais bin Mohammed al Yousef, Chairman of OCCI along with businessmen and officials from both countries. Korean companies that participated in the forum were specialized in the fields of engineering, construction, maritime trade, energy, heavy industry, telecommunications, innovation and others.

The “Omani-Korea Business Forum” sought to introduce businessmen and businesswomen in the two countries to investment opportunities and trade exchange in both sides, as well as enhancing communication, building business relations and exploring the possibility of strategic partnerships to increase investment and business activities between the two countries.

During the Forum, the Prime Minister of the Republic of Korea hailed the national development strategy adopted by the Sultanate since the accession of His Majesty Sultan Qaboos bin Said to the throne. He said that the political stability witnessed by the Sultanate came through the adoption of a balanced diplomacy and diversification of Economic development through implementing the five-year plans since 1976 followed by “Oman 2020 Vision” and currently “Oman Vision 2040 Future”.

The Prime Minister of the Republic of Korea added in his speech at the Omani-Korean Business Forum that the Sultanate of Oman is one of the exporters of liquefied natural gas (LNG) to Korea, which has helped to diversify the economy in Korea and is one of the largest markets to rely on in terms of trade volume.

He pointed out to the possibility of joint cooperation in the areas of information technology, smart cities, health, medical care, industries and fisheries in the future.

The Korean Prime Minister called upon businessmen of both countries to join hands and benefit from the investment and economic opportunities available especially in the fields of petrochemical industries, railways, solar power and smart cities as the Sultanate seeks to develop these areas and diversify its economy through its future plans and vision.
On his turn, Dr. Ali bin Masud Al Sunaidi, Minister of Commerce and Industry described the Sultanate’s trade relations with the Republic of Korea as “old” as these relations focus on projects of cooperation and partnership primarily in the oil, gas, petrochemical and logistics sectors. He pointed out that the Sultanate is witnessing the implementation of new projects in the field of electricity production by solar energy with the Republic of Korea.

The Minister of Commerce and Industry expressed the hope that the meeting of the businessmen of the two countries will move on to wider fields, especially in the area of knowledge economy, as the two sides signed a memorandum of understanding on the establishment of smart cities in the economic zone of Al Duqm, which is a new step in cooperation and partnership.

He explained that the transformation of the Special Economic Zone into a smart city will gain the Sultanate new experiences and open the door to local and international companies, including Korean companies as there may be similar initiatives for other economic projects in Sohar, Salalah, Sur and others under design or implementation, such as Al Irfan City in the Governorate of Muscat and the Logistic City “Khazaen” in the Governorate of South Al Batinah.

For his part, Qais bin Mohammed Al Yousef, Chairman of OCCI, said, “The statistics indicate that the trade exchange between the two countries reached RO billion by the end of 2017. Omani imports from Korea represent about RO 225 million and Omani exports amount to RO 844 million.”

He affirmed that there are still many opportunities that can be used in the development of trade and investment exchanges between the two friendly countries and that the two chambers of the two countries are constantly seeking to intensify efforts to strengthen relations and trade cooperation and find a mechanism to enhance the benefit of services provided by trade chambers in both countries in a better and more efficient manner.

Mohammed bin Salim Al Harthy, Sultanate’s Ambassador to the Republic of Korea said in a statement: “The visit of the Korean delegation comes within the framework of strengthening relations between the two friendly countries and enhancing areas of cooperation, expansion and deepening of broader horizons covering various sectors and fields, including logistics, industries, Health, medical care, tourism, education, research, development and innovation”.

During the forum, many video presentations were screened on the most important sections of the current five-year plan and the possibilities offered by the economic zones, free zones, ports and airports and complementary services. The investment opportunities were reviewed in the promising economic sectors in the Sultanate especially in the fields of tourism, manufacturing, fisheries, logistics, auto parts industry, electronics industry, accessories and other fields.

According to Saleh bin Hamoud al Hasani, Director-General of Investors Services at the Special Economic Zone Authority of Duqm (SEZAD), the MoU marks the first step in an ambitious effort to apply the smart city concept to Duqm. “Under the MoU, the Korean side will undertake a comprehensive study that will explore how smart city principles can be adopted in Duqm. This is a one-year-long study, following which we will identify sectors that can be integrated into the Smart City concept. Of course, all aspects of life in the SEZ will be covered in the study.”
Discussion on Women Empowerment

OCCI Business Women Committee held a meeting, chaired by Baheya bint Helal Al Shuaibiyyah, chairperson of the committee, to discuss the committee’s action plan for the current term (2018-22). The meeting also focused on women empowerment at the board of directors and Majlis A’Shura in the coming period. They also discussed how to enable SMEs to get shops at the malls for three years and reduce the license fees or relieve them of such payments.

The chairperson of the committee highlighted the importance of activating the role of businesswomen in society in various fields. An annual forum for Omani business leaders will be organized and a specific identity will be set for each year.

The committee also looks forward to directing the emerging companies to move towards areas related to technology, new industries and rare fields.

Al Shuaibiya stressed the importance of setting goals over the next four years and striving to achieve them. The committee will work on developing ideas and initiatives that will enhance the role of women entrepreneurs in the local and foreign markets and do their part in order to ensure further progress and advancement in the country’s development.

Legislation Committee meeting held

OCCI Committee for Studying Legislation and Laws held its first meeting under the chairmanship of Dr. Mohammed bin Ibrahim Al-Zadjali, Chairman of the Committee, in the presence of the members of the Committee.

The Chairman of the Committee welcomed the members and stressed the importance of their role in studying legislation and laws related to business, economics and investment. He noted that this will contribute to creating proper understanding of these laws and working with the competent authorities in the organization of economic work and increase its effectiveness.

The meeting stressed the importance of intensifying efforts and work to study legislations and laws related to economic work, and to submit proposals and observations of the private sector and businessmen and women. The meeting reviewed the duties and the tasks assigned to the committee to contribute to creating investor-friendly legislative and legal environment.
**Deliberations to establish Oman Tourism Society**

OCCI’s Tourism Committee held a meeting with the team for declaring Oman Tourism Society. The meeting was chaired by Ali al Hajri, chairman of the Tourism Committee and was attended by Qais bin Mohammed al Yousef, OCCI’s chairman, the board members of OCCI, members of the committee, heads of the tourism committees at the different OCCI branches, representatives of Tanfeedh as well as the National Program for CEOs.

Mr. Mohammed Al-Issa, Tourism Sector Supervisor of the Implementation and Follow Up Support Unit emphasized that the National Program for the Promotion of Economic Diversification aims to achieve the objectives of the Ninth Five-Year Development Plan (2016-2020) to meet the challenges and difficulties faced by the public, private and civic organizations. He stressed the fact that the tourism sector is one of the targeted sectors in the Tanfeedh. He noted that one of the recommendations of Tanfeedh labs is to establish a society for the tourism sector to enhance the growth of this sector in the Sultanate.

The Society aims at organizing and facilitating the practice of tourism services in the Sultanate in a manner that achieves opportunities for benefit for all and contributes to compliance with the laws and regulations in force in the Sultanate, as well as contributing to the development of national workforce plans and programs in the tourism sector. This includes benefiting from the local, regional, Arab and international experiences and cooperation with relevant authorities to ensure the provision of security and safety standards in tourism sites and preservation of the environment.

The Society also aims to cooperate with the competent bodies concerned with tourism services to develop contracts, professional aspects and encourage the promotion of investment in projects supporting the tourism sector and to improve the working environment in the sector. The Society will also participate in the establishment of social, cultural and sports activities, and to promote local content. An explanatory workshop for committee members will be held in the coming period. Another introductory seminar will be also organized for OCCI’s board members.

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**MICE Committee at OCCI North al Sharqiya Meets**

The MICE Committee at OCCI North al Sharqiya Branch held a meeting under the chair of Hamad bin Ali al Hajri, member of OCCI Board of Directors and Chairman of the Committee. The meeting was attended by members of the Committee who represent the private and public sectors.

The meeting discussed the preparations for the North al Sharqiya Tourist Forum, which will be held next November. The members stressed their support for the event and highlighted the organizational and administrative services that will be provided by the Forum. The members shared their experiences and ideas. The meeting also discussed the idea for holding a forum for entrepreneurs next October. The Forum will gather a number of entrepreneurs from the various governorates to speak about their projects.
Social responsibility is one of the most vital issues for any country. The World Business Council for Sustainable Development defined “social responsibility” as the continued commitment of businesses to act ethically, to contribute to economic development and to improve the quality of living conditions of the workforce and their families, the community and society at large.

The private companies and institutions of the Sultanate have been giving due importance to their socially sustainable roles and we have many successful experiences in this field. They have realized their responsibility in terms of economic and social development and have committed themselves to achieving their goals and plans to achieve concrete successes on the ground.

This has been the shared concept by small and big companies and the business community at large. Today companies compete in promoting volunteerism and some of them have dedicated a special portion of their profits to social responsibility. They also compete in helping the various families or necessary projects.

OCCI has launched the Chamber’s Award for Social Responsibility. Many companies participated and revealed their unlimited charitable gifts and community contributions, reflecting the serious desire of the Omani companies to serve their communities.

These competitions among private sector companies and institutions underline the role of the private sector as a key partner and enabler in sustainable economic development. They also help in improving the misconception about their image in particular and about the private sector in general.

These companies believe that the way to achieve success in the field of social responsibility is long and not limited to specific time. It requires great efforts to spread the culture, harness the energies and employ them to serve the society in order to improve the level of human interaction and instill volunteering culture in the minds of our children. This will help us in achieving tangible successes and providing many promising opportunities for Oman’s ambitious youths.