

Monday, September 21, 2015

Oman and Japan: Enduring friendship

Oman and Japan have enjoyed decades of mutually beneficial partnership in many economic sectors, and ties continue to grow

Oman is a country that is entering a period of rapid growth and massive diversification, as the oil and gas-rich Indian Ocean country looks to move its economy away from hydrocarbons and toward tourism, logistics, manufacturing and ICT.

Ruled since 1970 by His Majesty Sultan Qaboos bin Said Al Said, Oman is one of the U.S.' closest allies in the MENA (Middle East and North Africa) region, and has been spared much of the violence that has spread across the region, thanks in no small part to its close relationship with Iran and other major players, as well as the Sultan's program of the "Omanization" of the nation's economy. Omanization is the process of replacing the non-Omani people in the workforce with locals wherever possible, to help in the creation of a dynamic, outward-looking population.

The challenge for the nation and its people now is the move away from hydrocarbons and toward a more balanced economic picture.

H.M. Sultan Qaboos bin Said Al Said and his government has been utilizing the revenue

generated by the exportation of oil and gas to fuel infrastructure building throughout the country, with the ultimate aim of creating not only a logistics hub for manufactured goods and oil and gas exports, but also a hub for tourists wanting to enter the region.

Such reforms have seen the nonoil and gas activity in country move from 50 percent of GDP in 2000 to 70 percent in 2012, showing that diversification is taking root at least at a domestic level, as hydrocar-

“Relations between Japan and Oman have been strong for decades. Oman is a lifeline for Japan, so to speak.”

George Hisaeda, Ambassador of Japan to Oman

bons and related products still account for over 75 percent of exports. One aspect of the plan to diversify the economy is to refine more petroleum products and facilitating the creation of a manufacturing base in the country, specifically to be located in one of the five new ports currently under construction on the Indian Ocean

coastline, with the Port of Duqm being particularly important for the Sultan's plan.

The port zones offer the investor a mix of tax incentives, waivers on duties for the importation of materials and equipment, as well as lowered requirements for Omanization as a method to entice investment from local businesses and international investors.

With the government committed to spending \$9 billion on this construction, it is anticipation that the private sector will

at least match the government outlay, creating dynamic, forward-looking export points for the country and the entire region, as the new ports' locations conveniently avoid the Strait of Hormuz, a known choke point on the global logistical chain.

To help with the rapid development of the port system, the

government and the managing authorities of the zones have been developing and building relationships with other major port operators from around the globe such as the partnership between the Port of Sohar and the Port of Rotterdam in the Netherlands that will see technical advice and guidance passed between the two hubs.

In addition to the expansion of the port system and the introduction of manufacturing into the jurisdiction, there is a powerful push behind Omani tourism and its unusual offer when compared to other nations in the region.

With a pristine coastline, a mountainous interior, deserts and one of the oldest and most visitor-friendly cities in the MENA region in the capital Muscat, Oman will be appearing on more travelers must-see lists in the near future.

To this end, the government is upgrading the country's airports and dramatically expanding capacity, with up to 28 million arrivals per year in the best-case scenario for the new Muscat airport.

As an oil and gas-exporting nation, Oman has a favorable trade balance with the world and a healthy stockpile of foreign exchange, allowing for



His Majesty Sultan Qaboos bin Said Al Said and Prime Minister of Japan Shinzo Abe

a prudent, yet expansive macroeconomic policy to guide the economy forward.

With historically low interest rates that have seen fluctuations vary from 4 percent to 2.9 percent since 2011, the country's exposure to external threats of inflation are low. This is thanks to the makeup of the nation's main import goods, and the favorable trade balance that

its position as a hydrocarbon exporter affords it. The solid economic situation of the sultanate has seen individual living standards rise, which in turn has helped turn the often-excessive trade surplus around, driving investment in the recent infrastructure boom.

As George Hisaeda, ambassador of Japan to Oman explains, the path towards economic

expansion needs to include the right mixture of investment and partnerships with established networks, such as the strong link that exists between Oman and Japan:

"Relations between Japan and Oman have been strong for decades," Hisaeda explains, "Oman is a lifeline for Japan, so to speak. Japan relies on Oman for supplying oil and LNG, which

are indispensable for Japan's sustainable economic growth. Now Oman is entering a phase of industrial development, which requires a huge amount of energy and water, so investment from Japanese companies is expected in these fields with Japan's state-of-the-art technology such as reverse osmosis. I hope Japanese companies will participate in Duqm."

Oman: Becoming an ICT and logistics hub

Infrastructure development is continuing apace, with Oman racing toward becoming a key link in the global supply chain

Oman is fortunate to have a geographical location that not only suits its current primary export markets and sectors, but also allows it to fully diversify its economy away from a dependence on hydrocarbons toward manufacturing and value-added petroleum products.

And with the transition toward the vision of becoming a logistical focal point for the entire region and beyond, improved access to a world-leading telcoms and ICT infrastructure must also increase.

This desire to connect Oman to the wider world needs to be measured in terms of both the development of physical infrastructure such as new ports, airports and railways, and improvements in the ICT sector, as in the modern business world, there needs to be great synchronicity between all systems in play.

The vision for Oman's future as a logistical and ICT hub comes from the government's



H.E. Dr. Ahmed Mohammed Salem Al-Futaisi, Minister of Transport and Communications

policies over the past decades, all of which have been designed to improve the diversity of the economic output.

As one of the leading global liquefied natural gas (LNG) producers, Oman is a vital cog in the world of international shipping and transportation, and as such has infrastructure in place to allow for the exportation of said

goods.

However, as the industry and the technology that allows the global supply chain to function progressed, oil prices began to fluctuate wildly in the wake of the global recession and the U.S. entered the global oil and gas market from fracking, the plans to expand the economic offerings of Oman became one of the main focuses of the government.

That there is a path for the country to follow becomes apparent when the nation's prime geographical location is taken into account, as the entire southern coastline faces the Indian Ocean and some of the busiest lanes of communication in the world.

Therefore, if positioned as a hub that can provide alternative access to the global supply chain for regional powerhouses Saudi Arabia, the United Arab Emirates and other MENA nations, Oman stands to profit handsomely, as do the companies that are integral to the construction of

the new port and infrastructure system.

Strength via partnerships

Four companies that are being supported in their endeavors to improve the ICT and logistical provision of Oman are the Oman Shipping Company, the Public Authority for Civil Aviation, Omantel and the Information Technology Authority.

With these companies, H.E. Dr. Ahmed Mohammed Salem Al-Futaisi, minister of transport and communications has some of the most forward-thinking organizations in the region behind him to help the ministry shape both the legislation needed to rapidly increase participation, and the business know-how that will drive international companies to invest in one of the upgrades his department has foreseen.

"First, I am proud to say that Oman is really unique in this region," Al-Futaisi explains. "Oman has not intervened with the business of other countries for many years and this has kept us stable. Oman is probably one

of the only countries that has peaceful relations with all the countries around the world; we do not have any hardship.

"Secondly, we have built a transparent system within the country over the years, so when investors come to Oman, they see clear information, support and transparent systems. In addition to that, we offer equal

“When investors come to Oman, they see clear information, support, and transparent systems... We offer equal opportunities to everybody.”

H.E. Dr. Ahmed Mohammed Salem Al-Futaisi
Minister of Transport and Communications

opportunities to everybody and welcome them.

"Even though we do not mention these two aspects, investors come and express how much they like Oman. On top of that, Oman is a beautiful country in terms of its diversification and places to see."

The sultanate has a four-pillar approach toward developing its infrastructure, and also the busi-

nesses that will utilize it when it is in place.

The major idea is to create synergies between different sectors in the same economic zones, meaning the ICT and logistical components can be shared, lowering costs for the end user, and ensuring all investments into the country can expect to earn good return on the capital that has been invested.

"The first pillar will focus on trade facilitation and the improvement of trade procedures, and laws and regulations within the sector.

"The second one is the technology and IT systems used in the sector, as logistics have become highly modernized and we need to be up to that level.

"Thirdly, we will concentrate

on education and training. If we want to create jobs, then we need to provide Omanis with more training and education in that sector.

"The fourth pillar will be centered on the markets and their marketing. We therefore need to pay attention to certain regions, and consider exactly where certain industries should go and how to attract them."

Information architecture

In the early 1970s, the Sultan began the process of modernizing the country's telecom infrastructure, meaning that since then, Oman has been aiming to lead the world in terms of the services and products that are available to its population and the international companies based there.

With the mobile sector ever expanding, cellphone ownership, for example, shot up from 2.5 million to 5.2 million in the space of just six years, so investment into this sector is vital for the continuing progress of the country's economy.

Meanwhile, with the support

of Omantel and the Information Technology Authority fully behind the minister's plans, the sector looks set to continue its rapid growth.

The overall plan for the sultanate is to combine its current main export products — hydrocarbons — and its enviable location close to the Strait of Hormuz, with most of the coastline facing outward to the Arabian Sea and the Indian Ocean, and turn the country into a transit, logistics, manufacturing and ICT hub for the region.

As a driver for growth for the MENA region, Oman is also perfectly placed. With an economy that has been a strong performer over the past decades, and forward-thinking governance, there is a real sense of it being Oman's moment to take the reins of growth and as much as it is possible for a small country to do.

As a prominent local businessman remarked when asked by Global Insight why investors should look at the country, he said, "Simply put, it is safe, we care and we are in it for the long run."

Continually innovative, Omantel is driving the growth of Oman and the region

Through our strong values of dynamic teamwork, consummate professionalism and win-win collaborations, Omantel is a leading force in applying creative technological solutions. Our belief in affordable products and services empowers the client, while our continued investment in infrastructure and industry helps expand the economy. Omantel, your partner for the region and beyond.

Omantel | P.O.Box: 200 Postal Code 115 Sultanate of Oman | Tel: +968 2208 8177 | www.omantel.om



Transporting Omani logistics sector into the future

With the wholesale reworking of the sultanate’s transport and logistics infrastructure reaching fruition, Oman is now set to become a heavyweight player in this global sector

In the modern business world, the need for world-class, high-tech logistical support is a must. With turnaround times for the global supply chain reducing with each passing year, in-country port, rail and airport infrastructure around the world must look for new ways to attract clients to its facilities, be it through the use of the most up-to-date technology, or a prime geographical location that serves the provider, end user, or sea lane of communication.

Oman, as one of the MENA region’s most advanced economies, is also blessed to have a location that can serve both the country and the wider region as a base for operations.

With a coastline facing out to the world and the vital Arabian Sea, Gulf of Aden and Indian Ocean sea lanes, the country has not only the location, but also the governmental will and technological understanding to become the world’s premier one-stop shop for logistical operations.

The sultanate’s plan involves the wholesale re-imagination of what Oman can provide to the world supply chain, primarily from a multimodal perspective.

There is a need to link the land, air and sea routes to create a holistic center point for imports and exports for the Middle East region, while avoiding the problematic Strait of Hormuz, which normally provides an easy route for the exportation of oil and gas and other petroleum related products, but is prone to diplomatic and security issues of nations who vie for control of the maritime passage.

New routes, new partners

Because the great majority of Oman’s coastline looks toward the open seas, the country is second to none as a base for exports in the region.

And when coupled with H.M. Sultan Qaboos bin Said Al Said’s efforts in improving Oman’s educational system — providing his country with a highly educated and driven workforce — and his acceptance of technology as a way to rapidly develop and diversify the economy, Oman looks an even better bet for the success of its new port system.

H.E. Dr. Ahmed Mohammed Salem Al-Futaisi, minister of transport and communications explains that the whole country is behind the Sultan’s plans to turn Oman into the premier logistical point in MENA, and that the benefits it will bring the country will help it move away from its current dependence on the extractive industries, and



H.E. Dr. Mohammed Nasser Al Zaabi, CEO, PACA



Yong Duk Park, CEO, Oman Drydock Company

ideally move in to the processing and export of refined petroleum products and much more.

“We consider logistics and transport one of the most important sectors that can be a replacement for oil or, at least, be a second contributor to the economy,” Al-Futaisi says.

“Therefore, the government under the leadership of His Majesty has worked hard to develop the infrastructure necessary for that in the previous years. We have developed a strong road network, which is now ranks very high worldwide and we are really

“We are looking at opening aviation for competition, where we especially welcome the Japanese investor.”

H.E. Dr. Mohammed Nasser Al Zaabi, CEO, PACA

reaching the top positions.

“Its privileged location can place Oman as a logistic hub, in the world. We want to link the west with the east and be a gateway to the Gulf region. We also want to be seen as a hub for Indian Ocean countries as well as East Africa and other areas.”

The sky is the limit

The logistical chain means much more for Oman than simply improving the infrastructure available; it is about creating a sense of purpose and drive for the nation as it looks to expand into new industries and sectors.

And the aviation sector is one area that has the capacity to really shine, thanks once again to Oman’s location and the workforce’s ability to adapt, improve and excel with new technologies.

Oman’s relationship with technology is also advanced through its partnerships with countries such as Japan, as one of the world leaders in the sector, can provide it with the technical know-how and technology it needs to turn its existing airports into modern, highly functioning units, and the new

ones to be built into future aviation wonders.

The interest in turning Oman into an aviation hub for the 21st century comes from the successes of its neighbors in the UAE in using the region’s prime location between Asia, Europe and North America to their advantage.

Now Oman will take on the challenge of creating the right environment for expansion, which means increasing not only capacity, but also turnaround time and what the country’s tourism and business spheres

have to offer, separate from the logistical elements.

H.E. Dr. Mohammed Nasser Al Zaabi, CEO of the Public Authority for Civil Aviation (PACA) explains that what his organization is doing is linking all the component parts of transport infrastructure together, creating synergies through all modal points.

“We have three regional airports: Sohar, Ras al Hadd and Duqm,” Al Zaabi says. “Duqm had an early opening and was inaugurated on July 23 last year, and today the airport is doing extremely well.

“Oman Air previously used to run small flights that catered to 40 passengers four times a week; however, as of this year, we gave them the approval to run slightly larger ones that accommodate up to 71 passengers.

“The load factor has been very good between Duqm and Muscat. Sohar Airport was inaugurated on Nov. 18, 2014 and is still going through a test period as it so close to Muscat. If you look at Muscat Airport you can see that, on average, the traffic is growing by 10 percent per annum.

“This year we are close to 9 million passengers, which has resulted in an overload at the existing airport, as it was only designed for 3.5 million.

“We are looking forward to finishing the new terminal in 2016. Considering everything that has been said, we decided that to utilize and run the airports to their full potential, we need another carrier, perhaps a low-cost one to complement whatever Oman Air is doing,” Al Zaabi concludes.

Japanese partnerships

The drive to create multimodal zones throughout the country, to complement the creation of the new ports system, and the building of the railway that will link Oman with the UAE and beyond, stems from the knowledge that the interconnectivity of the transport and logistics systems is vital.

With investments in the aviation sector looking to top out at an impressive \$6.1 billion by the end of 2015, the environment for good returns on capital is easy to see, but this does not mean that the government is complacent as far as securing investments is concerned.

The hunt for partners who will bring expertise and technology with them, Al-Futaisi explains, involves looking to current trading and technology partners such as Japan, whose vast logistical network and transportation systems are the envy of the world.

As he explains, Oman’s Vision 2020 plan expects to see greatly improved capacity in all areas of logistics and transport, and also the need for infrastructure to be fully utilized and connected to the free economic zones that are popping up all over the country, located in strategically important areas, close to the Indian Ocean sea lanes of communication, and the oil- and gas-producing areas inland, for example.

“Within the next five years, we are planning to focus on having world-class hard infrastructure equipped with excellent soft infrastructure, in order to have established the sultanate’s logistics strategy. The strategy has already been drawn up and implementation started in January 2015.

“We invite them [partners] to put their plans into action, as well as set up plants, factories and distribution centers in one of the economic zones in Oman, where the redistribution of the products can be facilitated to anywhere in the world.”

These are exactly the same sentiments demonstrated by Al Zaabi, highlighting that the



Oman Shipping Company: crossing oceans to secure the future

www.omanship.co.om

whole administration and the industries connected to it are fully behind the Vision 2020 plans and the longer-term 2040 developmental plan.

What is obvious to investors and interested partners is that the Omani search for the right technology to complete the task at hand is thorough, but Omanis also want partners to see the same need for quality and longevity of systems.

“We have appointed a consultant to assist us in enacting air transport policy and economic regulations to monitor these sorts of ventures, and we are in the final stage of putting all of the key procedures in place that will allow us to apply for the second license of the air operator,” Al-Futaisi says.

“We are looking at short listing three or four companies that will be allowed to apply for the license. That is where the Japanese will be strongly welcomed to add value.”

Linking the oceans

Oman has always been an ocean-faring nation, and the sultanate of today is no different. With its current main export industry being oil and gas, Oman has a great need for efficient access to the major shipping lanes, or sea lanes of communication, that run throughout the Indian Ocean and Arabian Sea.

Lying almost entirely on the Arabian Sea side of the Strait of Hormuz, what Oman can offer other countries of the region is an efficient pathway to market that avoids the troublesome bottleneck of the strait, meaning reductions in fuel, time and insurance costs for the shipping companies that transport almost a third of the world’s oil through the 34-kilometer-wide passage.

As a commercial choice, it is a

no-brainer for the canny operator, and now simply relies on the Omani government to find and secure the international partners needed to make their new facilities as up-to-date as possible.

One entity looking to exploit the new port facilities being built on the Arabian Sea coastline is the Oman Shipping Company, one of the country’s premier transport companies, with a short yet impressive history in the LNG transport sector.

As Tarik Mohamed Al-Junaidi, deputy CEO of Oman Shipping Company (OSC) explains, “OSC was founded in 2003 due to the fact that the government decided to change the strategy of providing LNG and wanted to start delivering it to the customers’ door.

“As we were a young company, we did not have the technical know-how in terms of operating these type of vessels, so we identified Mitsui OSK Lines as a joint-

venture partner to invest with us in these vessels, and to provide us with the technical expertise on how to operate them.

“Going forward, we would like to have more involvement with Japan and its companies so we can expand. We need to be better focused and to align all ministries for each specific projects. Duqm, for example, could be an transform the whole area, if done correctly, but in order to do that, we need to develop the infrastructure, build confidence among people and establish a network.

“These parts are crucial and if done properly, it could work out well. Oman is building rail-ways to connect with the rest of the GCC countries; however, we need to put in more effort to make the investments increasingly productive in achieving the desired results.”

Capacity to grow
Thanks to the Sultan’s policy of creating partnerships and

constantly looking to bring businesses together so the country and economy can progress, the development of Duqm has been a roaring success.

One huge benefit the new port can bring for the international shipping and logistical sectors is cost saving on insurance and fuel costs and ease and convenience of access for vessels traversing global shipping lanes.

The Oman Drydock Company (ODC) is an entity that stands to benefit from all the companies that will use the facility when it is complete, thanks to its high-technology method of working, its competitive pricing, its ability to work on almost all petrochemical vessels, location and of course, the Omani commitment to the highest possible quality in everything it does.

CEO Yong Duk Park explains that when it comes to technical capabilities, ODC is truly a world-leading dry docking company.

“Another key factor is the mobilization of sufficient skilled manpower,” Al Abri says.

“We operate a flexible manpower system in association with subcontracting companies. The broader investment in Duqm and supercharged growth across petrochemical, logistics and offshore industries will also enhance ODC’s development.

“When Duqm’s master plan is completed, we will have the best transport links and infrastructure for us to thrive as a world-leading hub.

“The Oman Dry Dock Company is young and progressive. We understand that the Japanese market is mature, sophisticated and has the highest expectations.


“We share their values and can meet their expectations. We have very strong and unique key selling points that give us a competitive edge.”

As Al-Futaisi concludes: “Duqm, Sohar and Salalah will be our main commercial ports and we can assure existing and future partners that we have good hinterland connectivity and connectivity to India, as well as nearby places like Iran and Africa.

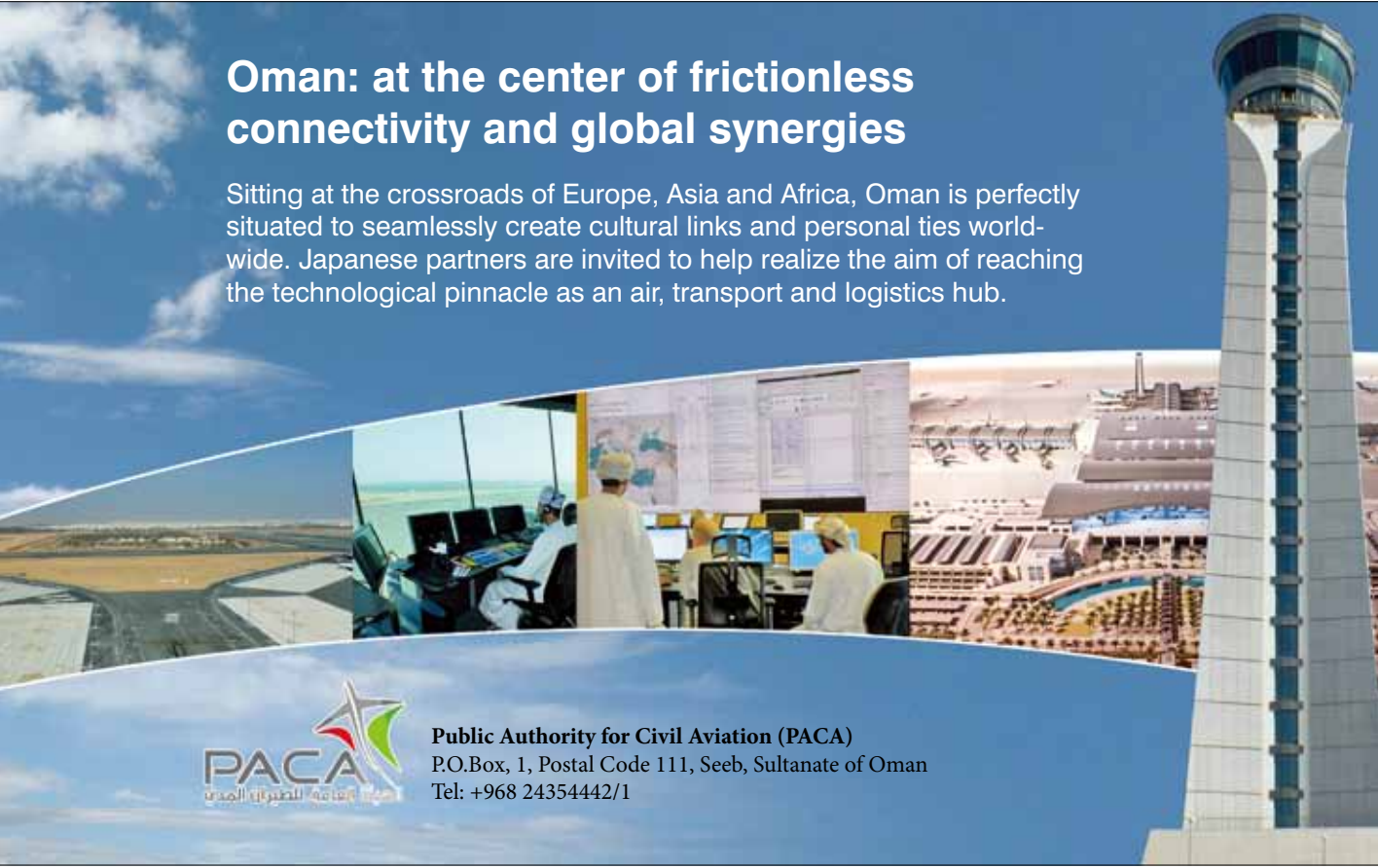
“We want Oman to be every Japanese investor’s gateway to the region.”


Oman: at the center of frictionless connectivity and global synergies

Sitting at the crossroads of Europe, Asia and Africa, Oman is perfectly situated to seamlessly create cultural links and personal ties worldwide. Japanese partners are invited to help realize the aim of reaching the technological pinnacle as an air, transport and logistics hub.



Public Authority for Civil Aviation (PACA)
P.O.Box, 1, Postal Code 111, Seeb, Sultanate of Oman
Tel: +968 24354442/1



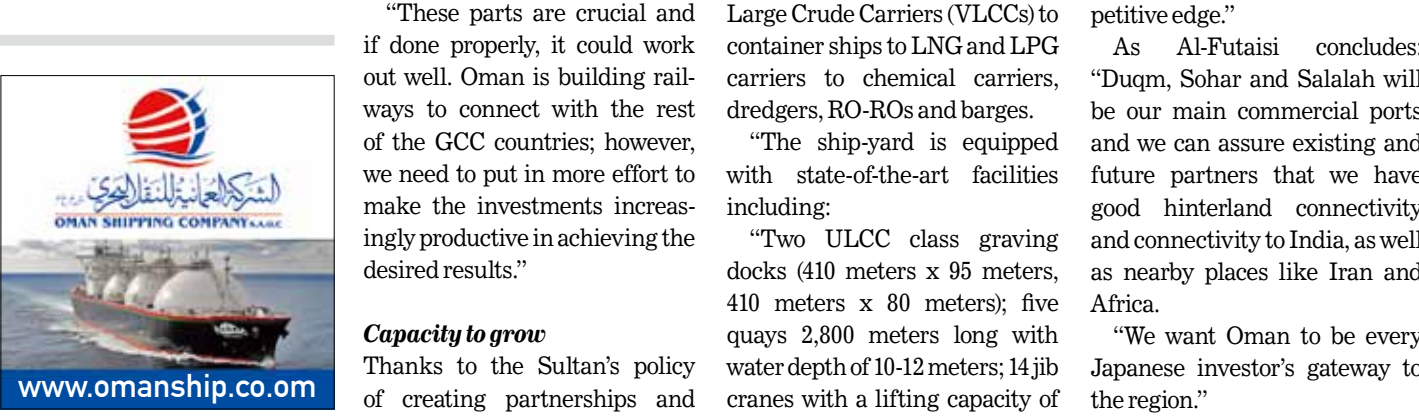


www.omanship.co.om

ENABLING GROWTH FOR EVERYONE

Daleel Petroleum LLC is committed to investing in operations that contribute to Oman’s socioeconomic growth through the production of hydrocarbons and optimization of future reserves.

دليل النفط ش.م.م.
DALEEL PETROLEUM LLC.
Sultanate of Oman | Tel: +968 24394200 | www.daleelpetroleum.com





CCED is a partner of choice for exploration and production development in the Middle East and beyond. www.cced.com.om



CCED's objective is to produce 50,000 bpd by 2017. www.cced.com.om

Oil and gas pumps value into economy

In parallel with Oman's diversification plans, the oil and gas sector continues to offer major opportunities for Japanese investors

A country built on its oil and gas reserves — currently the contribution of oil to the economy is 80 percent, Oman's energy is generated from fossil fuels. While there are moves under way to expand existing solar and wind energy projects, and to explore other renewable alternatives, liquefied natural gas is the country's prime energy source, and Japan a primary importer of it, as well as being a major partner in terms of exploration and growth in the industry.

H.E. Dr. Mohammed bin Hamad Al Rumhy, minister for oil and gas, explains the situation in more detail.

"We are importing small amounts from Qatar through a pipeline, but most of our gas is indigenous. We are busy now looking for more gas from onshore reserves as we believe we have enough. We consume some, we sell some mostly to Japan and Korea. We do have Japanese investment already on a small scale, particularly in oil production. We value partnership because it is a good catalyst of developing good friendship with others. We have adopted this policy for as long as I can remember as a country, so most of our major projects in the oil and gas involve others.

For example, in our LNG business there's strong presence of Japanese companies — some of them are consumers of LNG like Osaka Gas.

"Our investment in Osaka is very small but having a presence in Japan is extremely important to us. It is like opening a com-



H.E. Dr. Mohammed bin Hamad Al Rumhy
Minister for Oil and Gas



Shahrokh Etebar
CEO
CC Energy Development

mercial embassy in Osaka.

For potential private sector companies looking to enter the Omani market, the minister gives the following advice:

"We have two or three areas here and the Japanese are involved in all of them: the upstream, which is the exploration and the production part of

"Our investment in Osaka is very small, but having a presence in Japan is extremely important to us."

H.E. Dr. Mohammed bin Hamad Al Rumhy
Minister for Oil and Gas

ties downstream. We are thinking of building refineries and petrochemical storage facilities. This is where the Japanese could invest. It is something they understand very well. It is a low-risk investment and something that can grow. These technologies already exist in Japan and the market exists in Japan.

Fueling expansion projects

With more than 20 years in the onshore and offshore oil and gas exploration business, CC Energy Development (CCED), a privately owned Lebanese company, is using its vast experience to help grow Oman's energy base. Led by Shahrokh

Etebar, CEO, who joined the company in Oman seven years ago, CCED is on the lookout for Japanese investors to help increase its production and exploration opportunities.

"We came to this country in 2008 and started our production in July 2010, producing less than a thousand bpd on average that year. Today we are producing more than 33,000 bpd and are the fourth-largest oil producer in Oman. We are looking at being the third-largest within a couple of years. We have contributed to GDP basically by creating jobs and revenue.

"At the start of 2010, there were only 14 of us. Today we have around 645 people with more than 72 percent of them Omani. We have basically generated a substantial amount of cash for the government and our joint venture partner, Mitsui, in this short period.

We really enjoy working with them. They care about safety and the environment. They are cooperative and always pay the bills on time. If there are new opportunities in the future, either in Oman or outside of Oman and if they are interested in working with us, we would be very happy to work with them.

"Mitsui is currently involved in Blocks 3 and 4 in Oman. We still have quite a bit of exploration to do. The blocks have a lot of potential, which is why we are constantly improving our production. We move quickly. We basically do exploration appraisal development and production simultaneously.

"We are very dynamic and we plan well, but if we have to do a change quickly, there's no bureaucracy, and fortunately our Japanese partners are going along with our processes."

The company has already produced in excess of 25 million barrels, but with estimated reserves standing at around 200 million barrels, the sky is the limit, Etebar asserts.

"We don't know exactly how many more reserves we will discover, but we have room to grow. We have a very high success rate in drilling exploration appraisal and development wells. We are somewhere between 65 to 75 percent in exploration success, which is very high in the oil industry. I don't know if we can maintain that level, but we are still very hopeful that this is going to increase our reserves

substantially. CCED's objective is to produce 50,000 bpd by 2017.

"We set this goal in 2013 when we were producing 15,000 bpd," the persuasive CEO says. "I had the vision that we will switch the

"We have a very high success rate in drilling exploration appraisals and development wells."

Shahrokh Etebar, CEO, CC Energy Development

numbers and make it 51,000 bpd and this aim is in reach within the plan we have. If our exploration continues to come through 2019 and 2020, we should be on around 70,000 bpd. We just keep on going. We sell our crude oil to the highest bidder.

"In oil and gas development, particularly in oil, we have the

primary production, then the secondary, and finally the tertiary or enhanced oil recovery. Some of our reservoirs have already started the secondary recovery by water injection. We have improved the oil recovery

in this reservoir considerably. In Block 4, we also have substantial amounts of bitumen and are looking at the best way to recover it.

"We are going to establish a pilot project by the end of 2015 or early 2016 to evaluate the economic viability of this project, so not stopping here.

"I am sure that after the second recovery, we can implement the tertiary stage. We are always looking into improving the production and oil recovery.

"It is important for Japanese investors to know that companies like us exist. And we want to be one of the leading independent oil companies in the Middle East. Obviously it would help us to have good partners like the Japanese to come along with us.

"The opportunities and guidance from the Ministry of Oil & Gas and partners' cooperation give us an incentive to be here and work hard, which improves production.

"As I said before, businesspeople want to invest in stable and peaceful places and Oman — thanks to His Majesty's vision and leadership — is just the place to be."

A magnet for opportunity

Oman-based businesses are building fruitful relationships with many incredible companies to fuel expansion projects

Al Maha is Oman's pioneering distributor of petroleum products and was established in 1993 by virtue of Royal Decree by His Majesty Sultan Qaboos bin Said Al Said. Since that time, it has been a strategic partner in the development and support of the sultanate's infrastructure by maintaining a network of service stations throughout Oman.

Through capital investment and growth, it has developed services that reach the most inaccessible parts of the sultanate. As Al Sayyid Munther Saif Hamed Al-Busaidi, deputy



Al Sayyid Munther Saif Hamed Al-Busaidi, Deputy Chairman, Al Maha Petroleum Products Marketing Company

chairman of Al Maha Petroleum explains:

"Al Maha has an extensive retail network throughout the country with over 188 filling stations. "We are recognized suppliers of aviation fuel at the Muscat International airport. We employ more than 220 people and strive to meet and exceed the sultanate's Omanization goal. Our Omanization rate is 80 percent. Another 1,200 workers are employed in our 188 filling stations spread all over Oman.

"We are dedicated to developing the intellectual and techni-

cal capacities of our employees through training and career development. We have educated and trained employees in all fields and are generating significant and consistent profit in our business."

As a forward-looking company, Al Maha extends its services to the remote parts of the sultanate where fuel supply is limited, to help widen economic growth around the country.

Currently the contribution of oil to the economy is 80 percent and Vision 2020 aims to reduce this to 9 percent by 2020.

"We support tourism by building service stations at key tourist locations across the sultanate.

continued on next page



CC Energy Development, your privately owned oil and gas producer in Oman.

CC Energy Development (CCED) is a world class, independent producer with roots in Lebanon, and operations throughout the Middle East, Africa and the Commonwealth of Independent States. CCED is a partner of Tethys Oil AB and Mitsui Exploration & Production, and has a proven track record in producing high quality oil and gas products for world markets. Current production is 30,000 bpd, with potential of 65,000, meaning CCED is your go-to industry contact for investment and high-quality hydrocarbon products.

CC Energy Development S.A.L. (OMAN)
PO.Box: 539 PC.: 133 Al Khuwair | Tel: +968 2 464 8200 | www.cced.com.om



Smart technology, smarter fuel, rewards that keep on giving. One choice. Al Maha.

A leading hydrocarbon producer and service station operator, Al Maha is sustainably expanding its operations, and the products it offers. Al Maha is introducing the smartest technology available by forming partnerships with international investors.

Al Maha
Petroleum Products Marketing Company SAOG
Mina Al Fahal, Muscat Sultanate of Oman
Tel: +968 246 10303 / +968 993 62555
www.almaha.com.om



GLOBAL INSIGHT OMAN

www.global-insight.net

(continued from previous page.)

“We also sponsor government educational institutions: more specifically Sultan Qaboos University.

“Through participation in energy and energy-related projects, we play an important role in Oman’s economy. We welcome investors in Al Maha to expand our business and gain profit from a company which is so established.

“To maintain our leadership in the market, we have to face more challenges, which means searching for new ideas and technologies.

“To expand our services outside the country is our new objective and to achieve this goal will require a great effort. We would like to be an international company competing in different parts of the world.

AlMaha’s aim is to enter international markets to acquire key technologies and make significant progress.

“As you know, expanding a business is a constant challenge and today’s economic climate will probably make things more challenging than ever, Al-Busaidi says.

“But by exploring expansion options we can take our business to new heights. Our convenience store model has become so successful that it is now being emulated by other companies.

“We would like to open more convenience stores for our customers and are also rebranding many filling stations with our



Hassan M.J. Abdwani
CEO
Voltamp Energy



H.E. Dr. Ali bin Massoud Al-Sunaidi
Minister of Commerce
and Industry

new colors and logo.

“There are opportunities for the company to expand into related business activities inside Oman and look for opportunities in our core business outside Oman.

“This is challenging in a competitive world, but I’m confident that our years of experience, our relationship with customers and the quality of our product offered will definitely pave the way to our goal.”

Energizing the future

Also contributing to Oman’s economic growth is Voltamp Energy SAOG.

An Oman-based joint stock company engaged in the manufacture, sale and supply of power distribution transformers, including special transformers for the oil and gas sector and switch gear, including control and relay panels and distribu-

tion boards, Voltamp Energy undertakes maintenance contracts, on-site assessment services and supervision of the erection of transformers and other equipment.

As a fast-growing and a leading company in the MENA region, Voltamp Energy has continuously expanded its product range. Through three fully fledged manufacturing facilities in Oman, it produces best-in-class products catering to the region’s energy industry.

“The energy sector is witnessing spectacular growth and expansion,” says Hassan M.J. Abdwani, CEO of Voltamp Energy.

“We are seeing incredible investment in infrastructure, and research and development is in our DNA. We heavily rely on technology for manufacturing a whole range of state-of-the-art equipment that meets the

varied customer requirements with precision.

“We have succeeded in staying ahead of competitors because of our strong design capabilities. A significant portion of our expenditure is allocated to technology development. Beyond that, we have strong technical collaboration with leading international technology firms including Tatung-Taiwan, SIEMENS-Germany, GE and Schneider-France. Our philosophy is based on quality: quality products and providing quality services.

“We are open to the latest in technologies from Japan.”

The industrial landscape

H.E. Dr. Ali bin Massoud Al-Sunaidi, minister of Commerce and Industry discloses more about Oman’s interesting industrial landscape:

“We have about 13 Japanese companies working here in Oman and we have a very good trading relationship. By the end of last year \$4 billion of our exports went to Japan, and \$4 billion of imports came from there.

“This substantial figure is a good sign of the relationship. However, the future would be more focused on better utilization of Oman’s location.

“We are primarily looking at using the main ports—Salalah, Sohar and Duqm—and being able to see if we can attract the Japanese into these free zones. The key aim is to use Oman as



Voltamp Energy S.A.O.G. - Energizing the future

www.voltampoman.com

a center for storage as well as redistribution, and the proximities are always important.

“In addition, there is vast infrastructure that supports logistics, which is another area where we would like to see more Japanese firms come to Oman.

“Our free zones offer the possibility of 100 percent foreign ownership, in addition to having tax exemptions and a niche in terms of employing international workers.

“However, there is another aspect that adds value to the free zones and that is the free trade agreements we already have with the U.S.

On top of that, we also have the Gulf Corporation Council (GCC) agreement, the Arab agreement and recently we have established the GCC-Singapore agreement.

I hope at some point in time we will also see an agreement between the GCC and Japan.

“I think that is very important and we are now seeing Asian companies come and set up with Omani investors in the free zones with the aim of exporting to the U.S. under the free trade agreement.

“In particular, these companies are working in the areas of steel, petrochemicals, and downstream petrochemicals such as plastics, and they have already found their way into these markets.

“Africa is going to grow and, by being here within these free zones, businesses are able to benefit not only from 100 percent foreign ownership and, of course, the full repatriation of profits with no tax, but also from close proximity to such markets.

“Living costs in Oman are still very low, as is the inflation rate, and that is a tempting equation for many companies intent on expanding their business reach into new domains.”

Tourism: a growth industry

Oman’s unique setting, culture and history have always drawn visitors, but now it offers a full range of luxury accommodations, too

With a dramatic landscape and breathtaking skyline, Muscat and Oman provide visitors to the Middle East with a very different view. While other desert destinations might offer more vast, opulent hotels and larger shopping malls, Oman can lay claim to a more complete package, with plenty of attractions to excite the adventurous, as well as beaches and resorts to relax those in need of rejuvenation.

Hospitality is an inherent part of the Omani nature and the climate temperate.

Historic forts, castles, mosques and markets, all well preserved and maintained, give culture vultures plenty to explore, while sumptuous dates, spicy coffee and camel meat offer a window into the local gastronomy. With international visitor arrivals in the hundreds of thousands, tourism provides a very important pillar of the economy and its growth is part of the government’s diversification program.

As tourism infrastructure grows in the form of conference



H.E. Maitha Saif Majid Al-Mahrouqi
Undersecretary of the Ministry of
Tourism



Hawazen Esber
CEO
The Wave Muscat

centers, branded luxury hotels, link roads and other important transport upgrades, the government is a step closer to its goal of attracting 12 million visitors by 2020. Maitha Saif Majid Al-Mahrouqi, undersecretary of Tourism takes up the story.

“The first thing to highlight about Oman is its stability. Oman is one of the most secure, respectful and stable countries worldwide regardless of the geo-

politics and changes that have occurred in the last few years.

“Through all the ongoing challenges in this part of the world, the country has proved itself to be steady and safe, which is testament to His Majesty’s vision and leadership.

“Another important aspect is how we have been building ourselves as a nation. We have invested in our people in many ways, from education to provid-

ing the best medical services, while still focusing on diversification and maintaining our authenticity and culture. Oman is a vast country with a young population.

“There are various ways to develop the right strategy for the country, however, we were able to maintain our growth throughout the drop of oil prices at the end of the ’80s and early ’90s and we were able to position ourselves well internationally despite the challenges that were happening in this region. Our success came from a very good plan from our leader, who took such good care of the country.”

In order to build on the links with Japan, the undersecretary recognizes the opportunities that exist.

“Human capital investment exchange is one thing we can build on,” she says. “For example, this year’s summer graduates will be provided with scholarships to Japan, which is very good news. We are not therefore talking about exchange on an economic level, but instead we are focusing on education, which is a major investment that will have a sustainable return for both countries.

“On top of that, Japan has definitely looked into the Middle East as a region with great potential. We are a small nation in the region, but we are growing fast in many areas such as aviation, gas, agriculture and fisheries.

“We have seen the expansion of other sectors in order to diversify the economy and lessen its dependence on the oil industry, and we are also growing in the tourism sector and in education. Furthermore, the vision for the Duqm area is to create a complete city that is focusing on investments and being a free-exchange port. We are building a great system that has great potential for Japanese.

“In addition to what has been said, Omanis relate well to the Japanese in character, especially in terms of being calm and respectful.

“We have various similarities with the Japanese.

“Oman is a country that sometimes is called a piece of art. It is a five-star destination, and we just need to add some elements. You can find anything you like here, in our beaches and in our culture. In fact, if you really want to experience authentic Arabic culture, then Oman is the best place to visit, and the hospitality of the Omanis plays a great part in this.

“We have so much to offer Japanese tourists, especially considering both the quality of the location and the services we offer. As a tourism destination we are targeting premium class and responsible tourists who will respect our environment and our culture.

“Furthermore, the tourism sector is one of the priorities in which the government has invested heavily, including the expansion of the national carrier and the airports, the transformation of the Muscat port Qaboos into a tourism port and, of course, having this ministry since 2004.”

Expanding tourism

“Oman’s tourism industry is growing at an average of 12 to 14 percent per year. Oman offers a great diversity in its tourism product; visitors can enjoy the desert and five-star desert camps, the mountains, beach resorts and the culture of our cities.

“There is huge potential in this area of the economy, and we

are launching massive investments on a regular basis in the tourism sector. In the coming years the ministry will focus on creating various touristic activities to capitalize Oman as a full year destination. Oman today is a paradise on earth with a very welcoming people and, above all, Oman is truly a safe country.”

The Wave

As part of an effort to boost overall capacity and add to the sultanate’s supply of hotel rooms and visitors, the government has launched a number of large integrated tourism complex developments that encompass hospitality, retail and recreational activities. One of the most impressive is The Wave, a luxury housing project in Muscat proper, which features a Greg Norman signature golf course.

The Islamic Tourism Center (ITC) offers a new experience to holidaymakers in the sultanate, there representing 64 different nationalities. They are not only

“The Greg Norman golf course is very special and has already received a great deal of recognition.”

Hawazen Esber, CEO of the Wave Muscat

“The Wave is the first and the largest state ITC focused on creating tourism while providing expats as well as foreigners with full ownership, which previously was not possible.

“We are able to attract people from all over the world, including Singapore, South America and would welcome Japanese buyers. Needless to say, we have various types of market categories—from people who are investing long-term or short-term to end users, and also we have different products from one bedroom apartments to the 1,000 sq. meter exclusive villas on the beach.

“Even though we have not really exposed ourselves to the Japanese market, that is something we are strongly considering. We have already targeted the Singaporean market, which has proved to be extremely successful and we are partnering with seven banks in Singapore to help people to finance and purchase accommodation in The Wave.

“At the moment the Wave is one of the key destinations.

Obviously Oman has a lot to offer like breathtaking mountains, water sports and luxury resorts. However, we also planning to build our own resorts, like the Kempinski and The Shaza Hotel right on the marina in addition to three more hotels and two serviced apartments.

“We are gearing up to become “a must-see” destination and to expand tourism for the country. Being so close to the airport provides us with a certain advantage, and being sufficiently far from the city allows our guests to avoid any unnecessary hassle.

“On top of that, we want to take our time to be authentic as we cannot be purely consumer-oriented. While our previous strategy was to set up two, three, four and five-star hotels, we are currently hitting the five-star and boutique-type hotels.

“The Wave is also a residential area and we are proud to say that we have 500 families living there representing 64 different nationalities. They are not only

thing is tax free. Even though I am not fully certain what the conditions with the Japanese are, that is definitely something that I would like to explore and then see the possibility to attract them.”

Esber is very keen to set up partnerships with banks and international institutions.

“Because the project is so immense, we are aware that we cannot do everything by ourselves. Thus, we see ourselves as a platform for these activities,” he says.

“In terms of institutional investors, we are currently undergoing a bank deal with the Bank of Muscat. In addition, we have ventured into real estate funds and this is probably an area that might be more interesting for institutional investors in Japan rather than just obtaining a part of property, which comes with some degree of responsibility.

“Oman is expanding, and the development is increasing. We have a different business model to other countries and projects like Duqm only add to the mix.

“With regards to services, we are looking at hospitality operators, food and beverage operators, consultants, architects and civil-engineering firms to see the opportunities to have them work with us on some components of the project.

“Oman is a very stable country to begin with so the laws here are clearly formulated. The ITC is also in a very mature state and a fantastic platform for investment. I believe that the Japanese investor is seeking transparency, clarity, as well as stability, and Oman, together with the ITC, are a great platform for just that.

“Most of the ideas that are already here come from Europe or the U.S., so it is about time to explore other ideas from Asia, particularly from Japan. In fact, at the moment we are exploring Singapore and Hong Kong, both of which have very interesting ways of doing things.

“The Greg Norman golf course is very special and has already received a great deal of recognition. In fact, not only has it been honored with various awards, it is ranked among the top 100 golf courses in the world.

“Many players have visited the course including the former president of Korea, so I think it is time to market it to Japan.”



الموج للجولف
ALMOUJ GOLF
THE WAVE MUSCAT • OMAN

The perfect place to perfect your game

Almouj Golf. Inspired by Oman. Designed by Greg Norman.
Ranked 4th among Golf Digest's Top Ten Middle East golf courses.



For more information, visit www.almoujgolf.com
For reservations, call: +968 2200 5990 or Email: golf@almoujgolf.com
THE GOLF COURSE • THE ACADEMY • 5 STAR FACILITIES

The future of Oman’s diversification

The port of Duqm stands as a testament to the desire of Oman and Sultan Qaboos bin Said Al Said to create a world-class port with facilities for the future. Now is the time for expansion

The Sultanate of Oman has the drive and the technical know-how to become one of the major players in the provision of ports and associated logistical infrastructure.

And one of the main fulcrums for this is the new port and economic free zone of Duqm on the Arabian Sea coastline. Perfectly positioned to take full advantage of processing Oman’s oil and gas exports, which are headed toward the country’s major international partners such as Japan, refining petroleum products, dry docking passing ships, receiving imports for the internal market, or indeed, sending Omani, Saudi Arabian and UAE manufactured products to international markets.

Previously a simple fishing village, Duqm was selected as a prime location for the newest port and free zone in Oman thanks to its location close to some of the country’s major oil and gas deposits, and the ease of access to sea lanes of communication.

The port itself is a joint venture between the Omani government and the Port of Antwerp Consortium, which is responsible for the management and operation of all port activities, including navigation in the port and the wider bay of Masirah, for a 28-year lease period, signed in 2011.

The second-largest dry dock in the Middle East has already been constructed, and with a minimum 177,000-hectare special economic zone surrounding the development, and with a petrochemical factory, refinery, airport, beachfront hotels and housing for up to 100,000 people, Duqm has all the hallmarks of realizing its vision of the future for the country.

Investment into the port has been impressive, with a bitumen terminal under construction, a cement distribution terminal in the planning stages and, with mineral and mining activities set to start in the region, an extractive industry boom also looks set to provide the fledgling port with excellent income streams.

Yahya Said Abdullah Al Jabri, chairman of the Special Economic Zone Authority for Duqm (SEZAD), explains that the port was created to facilitate



H.E. Yahya Said Abdullah Al Jabri
Chairman, Special Economic Zone Authority for Duqm (SEZAD)



Isam Al Zadjali
CEO
Oman Oil Company



Usama Al Barwani
Executive Director
Daleel Petroleum

even greater economic integration of Oman and its international partners, giving each party the space and ability to add value to raw products coming from the sultanate, and create synergies with the global supply chain and logistics sector.

“As a logistics hub and gateway to the GCC region, Duqm has access to Japanese goods,” Al Jabri says. “It supplies local markets and in return secures Japan’s reliable supply chain of oil from the region. Additionally, Japan and Oman have shared business interests; Oman wants to move up the value chain in the exploration of its natural resources while Japan has the technology and market for the finished products.

“Nowadays, it is not enough just to rely on commodity exports and imports, countries have to cooperate to create global value and supply chains. Japan is an industrial giant with a

“2015 is the time when we are fully open to ideas from our potential Japanese partners to collaborate on strategic partnerships.”

Isam Al Zadjali, CEO, Oman Oil Company

global outreach, not just in the goods it manufactures, but also in the strategic investments it makes on the global scene,” he concludes.

Strategic future relations
Isam Al Zadjali, CEO of the Oman Oil Company is in complete agreement with Al Jabri, in that there is a need to focus on long-

R&D and its benefit to our people in the long run. With these three components in place, we are more than happy to go ahead with the partnership with the Japanese.

“Duqm is not only Oman Oil, it is a place that will house local businesses, government projects and of course foreign investments. We will therefore follow

the ‘first come, first served’ principle. We expect to make most of our final investment decisions next year, so, 2015 is the time when we are fully open to ideas from our potential Japanese partners to collaborate on strategic partnerships.”

Creating a niche

In the meantime, the Oman Oil Company is carving out a niche for its products and services on offer.

As Al Zadjali explains, it is important for the company to move away from simple oil and gas exports and into refined products, something Duqm gives it the opportunity to do.

“We [Oman] have two key commodities — oil and gas. Rather than exporting them, we decided to break it down to molecules and what we can really do. We arrived at the concept of a refinery with the idea of creating a petrochemical complex. The refinery is a tool with which we can achieve the ultimate objective, which is to set up multiple plants. You would be surprised to know that oil is a source for numerous products from clothes to plastic.

“The second objective is to set up another export terminal. Right now we have Mina al Fahal and we have Duqm as another destination that could be attractive to our neighbors as well as the rest of the world. What is important to mention is that we are not trying to compete with anybody here in Oman. We are trying to create our niche, which is in fact very strong.

“We are a very welcoming nation, we embrace every culture and we understand that



Daleel Petroleum Company L.L.C. - “Enabling Growth for Everyone”

www.daleelpetroleum.com

we cannot do everything by ourselves.

“We believe in an economic strategic partnership and that is the main way to bring people closer together.”

Betting on Daleel

Formed in 2002 as a joint venture between Mezon Petrogas SAOC (a subsidiary of MB Holding) and Mezon Petrogas BVI (a subsidiary of China National Petroleum Corporation, or CNPC), Daleel Petroleum offers a good foundation of ever more efficient production, use of latest technology, ethical business standards and social responsibility.

Operating in Block 5, in onshore Oman, approximately 450 kilometers northwest of Muscat, the company’s dedicated and talented workforce is successfully propelling production efficiency.

Usama Al Barwani, executive director of Daleel Petroleum, takes up the story.

“[Our success] is a combination of quite a few things,” he says. We have invested heavily and kicked off our first drilling rig about a year after we began: we are now in the process of mobilizing our fifth rig. We have also implemented a field-wide water flooding program, and a gas plant to reduce flared gas and monetize additional value from the gas. When we formed,

oil prices were about \$18 per barrel and since then, they have been on a consistent rise until this year. Therefore, as the prices rose, more things became commercial and people were able to finance a lot of work programs.”

The firm is extremely interested in developing new relations and partnerships, to access both capital and technology, Barwani says. “For example, the last time we visited Tokyo, we met with a number of institutions and

development. What I would say however, is that our two partners MB Holding and CNPC, both of which own 50 percent, have looked at opportunities together and I believe that Daleel has a lot of expansion opportunities and we are very focused on making it work.”

When asked how interested the company is in new fracking techniques, Barwani says:

“Most of Daleel’s production zones do not fall under

“We have implemented a field-wide water flooding program, and a gas plant to reduce flared gas, to monetize additional value from the gas.”

Usama Al Barwani, Executive Director, Daleel Petroleum

discussed joint investments in exploration and processing (E&P).

Partnerships are obviously opportunity-based to some extent. However, at the end of the day, building a relationship is quite important and takes time, then when the opportunities arise, we can take those relationships and jointly make the leap.

“Daleel Petroleum is a joint venture project that was created specifically to manage and operate the Block 5 development. Thus, it is not really the entity that we would take on new

the categories that require fracking techniques. There is one zone — Natih — where we have tried fracking, and it may warrant further trials, so if the Japanese have some advancement in the field of fracking, we would certainly be interested in understanding those and seeing the results. Overall, we are open to new technologies, whether it is fracking or anything else. Oman as a whole is a more challenging oil and gas environment than some of our neighbors, we are always looking for the right applications.

“Currently the first large-scale solar steam project is undergoing trials by Petroleum Development Oman (PDO). It is quite an interesting project and if it proves successful, it would open the door to more projects in the country.

“We are very much watching this space. Within 10 years, however, I see Daleel becoming one of the largest oil producers in Oman and we are already on that path being currently the third-largest in terms of production. I would also like to see Daleel develop a strong reputation for safety, a leader in implementing projects, and for consistently raising production yields.

“I want Daleel to become known for being a good place to work and for developing young local talent. That is something that we have never had to worry about.

“We have marketed our share of the oil on long-term contracts with Japanese trading group Itochu. The relationship has been excellent and extends back 12 years. The right partnerships lasts a lifetime. Considering the manufacturing excellence of the Japanese, there are many areas where Daleel can benefit, with compressors or electric submersible pumps for example.

“If those companies are also structured locally, they are adding value to the area.”

Duqm

A Gateway of Opportunities to Oman

Partner with us and be part of one of the Middle East’s most advanced energy industry hubs - Duqm

Oman Oil Company is leveraging Oman’s geo-strategic location to access growth markets and to develop Duqm as a regional hub for energy related industries.

As an investment destination feeding into Oman’s economy, we are playing a vital role in building technological and operational capacities through strategic acquisitions and partnerships.

OOC Projects at Duqm:

- Duqm Refinery and Petrochemicals Industries Company
- Duqm Petroleum Terminal Company
- Oman Tank Terminal Company
- Central Utilities Company
- Crude Oil and Gas Pipeline Projects (Oman Gas Company)

شركة النفط العمانية ش.م.ع.م.
Oman Oil Company S.A.O.C.

oman-oil.com

Oman Drydock Company.

Slash the time and costs for drydocking.

The Oman Drydock Company (ODC) is a world leader in LNG carrier repairs thanks to partnerships with specialists Gaztransport & Technigaz and Daewoo Shipbuilding and Marine Engineering. With an enviable position between Asia, Africa and Europe, four drydocks for repairs and the ability to work on ULCCs, VLCCs and all other transport vessels, ODC offers the best service at the best price, on the busiest shipping lane in the world.

شركة عمان للجوهر الجاف
OMAN DRYDOCK COMPANY

Oman Drydock Company (ODC)
P.O.Box: 3972, Postal Code: 112, Ruwi, Sultanate of Oman
Tel: +968 2452 0222 | www.omandrydock.com

An ICT hub in the making

As the 40th most highly digitalized country in the world, Oman's technological prowess is legion, and opportunities abound

When it comes to a strong desire to communicate, Oman has much in common with Japan. The two countries have a common love of innovation and information sharing, and are both committed to bringing individuals, families, business and regions closer together through cutting-edge information and communications technologies (ICTs).

In fact, in the case of Oman, one of its many goals is to become an ICT hub for the region, as it builds a knowledge-based society.

According to the The Networked Readiness Index 2014, the country is already highly digitalized, ranking 40th out of 148 countries.

Abdulmonam Mansoor Al-Hasani, minister of information is mindful that ICT expansion needs to keep pace with the needs and aspirations of the community and to preserve the character of Omani society, as well as its values and customs, without compromising the character of others and the ability to create long-term value for the country and relevant parties in Japan. He points to Omantel as a case in point.



Talal Said Marhoon Al Mamari
CEO
Omantel



Dr. Salim Sultan Al Ruzaiqi
CEO, Information Technology
Authority

Omantel is the pioneer of total communications solutions in the sultanate of Oman, with the widest choice of state-of-the-art services and the broadest network coverage. Omantel has offered the full spectrum of telecommunications solutions to the people and businesses of Oman since 1970.

Omantel serves consumers, enterprises and government, as well as wholesale clients, and also prides itself on assisting national development and encouraging the growth of telecommunication capacities in the country and sees itself very

much as an economic enabler.

Dedicated to globalizing markets, reducing transaction costs, expanding productivity and directly increasing the economic wellbeing of its customers by offering exceptional standards of customer service, Omantel delivers on new product development and high-quality initiatives."

The company is currently in the throes of its latest wave of infrastructure investment using digital tools and big data analytics to fuel technological advancement, maintain economic momentum and

help high-profile individuals make important decisions that increase long-term growth.

Omantel places a high priority on teamwork, allowing employees to collaborate easily from wherever they are located to form collaborative, complex problem-solving and dynamic entities that add long-term sustainable value creation across the entire economy. Indeed this is the essence of the company.

"We work with many key industries to facilitate the expansion of soft infrastructure to grow the economy, and is unleashing an astounding array of technical advances that focus on innovation by investing in fixed lines, broadband servers, mobile broadband, satellite dishes, towers and submarine cables," says Talal Said Marhoon Al Mamari, CEO, Omantel.

"All of this will make an impact on society by introducing new levels of productivity and capability to ensure the country grows. Oman has a fair amount of development in terms of soft infrastructure and people."

While the telecommunications infrastructure may already be available in the country, the system requires two or three special ingredients to function optimally: the first being to upgrade the infrastruc-



Salalah Mills Co. is the partner of choice for milling capabilities and product development in Oman and Africa. www.salalah-mills.com

Plowing funds into food resources

Oman has an incredible supply of fish and agricultural riches that would benefit from Japanese technology for expansion.

With a strategy that is aimed at the optimum use of natural and agricultural resources as well as the development of agricultural and food systems to enhance food security, Oman's Minister of Agriculture and Fisheries H.E. Dr. Fuad bin Jaafar al Sajwani is appealing to Japanese investors to help grow a very exciting sector.

"We are in the process of diversifying our sources of income from non-oil sectors that mainly include agriculture and fisheries, industry, tourism and logistics.

Agriculture and fisheries is a very productive sector. It is one of the main components of diversified sources of national income and contributes to the country's economic and social stability, and also contributes significantly to the national GDP, responsible for job creation, and provides food security.

The total value of agriculture and fisheries production in the year 2013 was 508 million Omani Rials, while the contribution to GDP from the agriculture

and fisheries sector grew by 6.6 percent in the year 2013.

"A long-term strategic vision for 2040 provides the basis for development of the sector to increase production and value and growth rates; improve self-sufficiency; and increase contribution from the sector to the GDP over the successive five year plans running up to 2040."

The Minister is looking at collaboration opportunities to create more jobs and increase income and the competitiveness of local products. Fisheries is a particularly strong area.

"We produced more than 206,000 tons of fish during 2013 and have exported more than 60 percent of our fish catch," he says. "We are looking at significantly enhancing value of our fisheries production by unlocking the immense potential that exists along the fisheries value-chain.

"This is being done by modernizing the fishing fleet and fishing equipment, building fisheries' harbors with market centers and processing facilities, rationaliz-

ing the marketing and distribution channels for domestic as well as growing export sales.

"The Duqm hub is a fine example of the government's initiatives in this direction. We are keen to introduce modern technology and employ national labor force to gain relevant skills and experience. We are strategically located in the Arabian sea region offering a key link along the east-west trade route.

"We have abundant fish stocks and a readily available infrastructure that includes fishing vessels, network of fishing ports and many landing sites, and an efficient local transportation network. Omani fish commands a premium in the export market because of its high quality."

Back on terra firma, flour producer Salalah Mills is one successful local entity contributing to Oman's diversification and to its GDP back on terra firma. Salalah Mills Co. is a leading company engaged in milling and distributing premium quality wheat products in Oman and

exporting to Africa and other international markets. Ahmed Alawi Al Dhahab, CEO of Salalah Mills Co., takes up the story.

"Salalah is situated 1,000 km south of the concentrated population in the north in order to take advantage of the East African and Yemen markets.

"We initially started with the production of 300 tons per day and year-on-year we expanded our production capacity. Now we reach 1,500 tons per day and are in the process of building 12 new silos, each of which takes 10,000 metric tons of wheat. Therefore, it accumulates to 120,000 metric tons.

Moreover, we export about 30 percent of our production. In addition, in 2007 we set up a macaroni factory which is next to us and Salalah Mills own 64 percent of that company. We started with just one production line and today we have four.

"Africa is a growing market and it is in our interest to go there as well as set up flour mills. That is one option that we can look into in terms of joint ventures with Japanese companies, since we already have knowledge of the market. We are also looking to Japan to help us with technology."

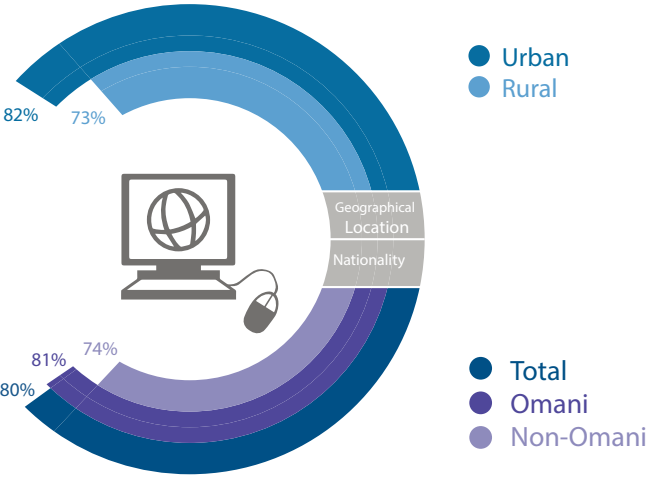
Total proportion, by nationality and location, of Omani households with an internet connection



80%

Total penetration for household internet access

Inequalities exist between Omani and non Omani citizens, and between rural and urban populations. Oman is closing the gaps, connecting the country to the world.



Empowering Oman... Reaching Milestones

www.ita.gov.om

ture within the country.

"Oman is completely covered by the Omantel network," the CEO continues. "We currently have more than 7,500 kilometers of fiber going from north to south and east to west. Another aspect of this infrastructure is the layer of end-user services, which are mainly the services of ADSL, fixed voice band, specifically voice and mobile.

"As well as that, a country and its people have to be connected with the rest of the world and a major part of our strategy has been to prepare Oman as a regional hub.

"Since 2009, Omantel has been connected by submarine cables. Today, more than 55 percent of Internet usage is surfed domestically, and this is done through hosting companies. Consequently, domestic fiber optics are a national aim for the telecoms sector, and the sector is ready for the 2020 vision. In a dynamic world, the behavior of consumers across the globe is changing from conventional services to data. There is a data boom taking place at the moment.

"This means two things are needed: the first is to increase the level of investment in data infrastructures and host as much content as possible domestically. The second aspect is innovation, which needs to be the behavior of the user.

"Today's users are looking for more than mere connectivity. They are seeking a lifestyle product, something that will make their lives better.

"In the business world, it is even more essential, because economy always requires better productivity. At Omantel, we look beyond connectivity.

"Between 2015 to 2020, we will focus on digitalization. The government initiatives are very high for the priorities of His Majesty's Vision 2020. To reach that level we require infrastructure, mainly in innovation, and in the business world innovation is all about delivering solutions.

"A telecommunications organization like ours has a responsibility to bring solutions to business. Therefore, we are focusing on digitalizing certain sectors such as the health sector and education.

"Oman has always been the center of the development and with His Majesty's Vision 2020, we can play a big role in the region and in the world. Therefore, education is going to be one of our main priorities. Additionally, logistics is going to be a great opportunity for us.

"We can help improve productivity and efficiency accordingly in this sector. We can partner not only with the public sector, but also with private companies

"The first aspect is cultural as our social responsibility is to promote Oman. We are fortunate to have a long history. Today, we have social media, which means people can exchange pictures across the globe. This which brings the world even closer together and makes 'the world flat.'

"The use of these technologies and the layer of social media through real people from Oman and real people from Japan is

including human resources.

"I like the Japanese model because it is more realistic and humanistic. The Japanese model works with the majority of the workforce. Therefore, this hopefully provides the right incentives and motivation for the rest to improve and this is something that fits well with Oman's culture.

"I see a lot of opportunities about adopting the Japanese processes that focus on improving productivity and helping Omani companies transform their operations for greater efficiency in both energy use and yield to give their organizations a true competitive advantage.

"In telecoms our major aim is about connecting people but that also has a complementary, aspect to it in that the challenges that a society might face can be overcome by opportunities in other societies.

"Our commitment is to improve education and productivity, with the help of Japanese know-how. Some of our young people are learning the ropes by working in more advanced environments. These people can work in Japan for the short term, for example, then come back to Oman with the know-how.

"The sense of peace, and our peaceful relationships with others is our major asset. I am very proud of the peace and friendship we offer worldwide."

"Japan has huge expertise in innovation and delivering technologies to the end user."

Talal Said Marhoon Al Mamari, CEO, Omantel

as a technology provider.

"It is essential to understand the role of the sector. We can give solutions in a dynamic world moving toward a better lifestyle and higher productivity.

"Japan has one of the largest economies in the world with huge expertise in innovation and delivering technologies to the end user. I really see more opportunities to partner with them within the logistics sector and in training. We will be able to partner with private sector or public sector.

"Our commitment is to improve education and productivity, with the help of Japanese know-how."

Talal Said Marhoon Al Mamari, CEO, Omantel

"I am very excited about opportunities related to logistics. Additionally, another partnership area would be in fisheries by allowing the industry to increase resource productivity as one of the top priorities."

So how important is it for the Omantel CEO, as a proud Omani, to promote the country's incredible history, its credentials to Japan and let them know, that a company like Omantel, the second-biggest company on the stock exchange, is looking for institutional investment partners to really add value in Oman?

As Talal Said Marhoon Al Mamari continues:

work forces and organizational cultures.

"Lead user methodology is highly synergistic with resource productivity, which applies similar rigor and looks at all steps of a process, seeking to eliminate anything that leads to wasted resources, in both energy and materials.

"We can import a lot of know-how that is available in Japan on lead methodology. It is an extremely beneficial way of thinking about resource productivity because it uses well-known principles — such as standardization and continuous improvement. Japan makes the best use of available resources

Empowering Oman By Exceeding Information Technology Milestones

The Information Technology Authority of Oman has undertaken several projects under its e.oman strategy to increase technology penetration and empower people through training and innovation centers, as well as boosting the sultanate's e services capabilities.

More than 90 percent of Omani households possess at least one mobile phone or smart phone, yet only one-quarter have a fixed line phone. More than 80 percent of households own at least one computer, and about 80

percent of households in Oman have Internet access. The wide use of mobile phones has revealed that there is an increase in the percentage of people with access to ICT in Oman, specifically since smart phone technology and usage has exploded over the last decade. The Sultanate of Oman was awarded Best Government Mobile Service Award at the Government Summit in Dubai for its Donations Portal Mobile App by the Information Technology Authority (ITA) in the category of Social Affairs.

Information Technology Authority (ITA)
P.O. Box - 1807, PC 130, Al Aithaba, Sultanate of Oman | Tel: +96824166600 | www.ita.gov.om



An inspiration for Omani entrepreneurs

Saud Bahwan Group is one of the most prominent business names in Oman and beyond and Global Insight caught up with the group’s chairman to discuss the past, present and future

GI: It is wonderful to meet you. Can you explain how the Saud Bahwan Group has contributed to the growth of Oman and contribution to GDP?

Mohammed Saud Bahwan, Chairman of the Saud Bahwan Group (SBG): Let me start with a little bit of history. We are a trading family and my grandfathers and our ancestors have been trading with India and Africa, during the time of the spice trade many years ago. Our business continued with us purchasing certain goods from India and selling them in Africa. Likewise, we bought goods in Africa and traded them in Iraq and India, specifically in Kolkata (formerly Calcutta). We then expanded into food products and trading building materials.

In the sixties, we relocated to Muscat, when His Majesty’s father was on the throne. That was also the time we started partnering with Japan, with companies such as Toshiba and Seiko. We already had a strong relationship with the Japanese back then and as soon as His Majesty took over, it was very clear to us that Oman would change with his leadership.

My father and uncle together founded the Saud and Suhail Bahwan Group, which are now two independent groups, but of course we remain a very close-knit family. As a group, we were involved in all kinds of commodities: from building materials to medical and pharmaceuticals, engineering and electronics. However, since my father and I were more focused on the automotive side and that was an area that we did best, my father saw a very bright future for Toyota here in Oman.

He started discussions in the late sixties, and although it took time for the agreements to be signed, we developed from there. And as the country grew, so did the economy. The key ingredients for that growth were stabil-



Mohammed Saud Bahwan, Chairman of Saud Bahwan Group and Chairman of the Oman-Japan Friendship Association

ity and security. At the same time, training, as well as education, was His Majesty’s main priority and that really helped the economy thrive. The human aspect was truly crucial.

Needless to say, any company in the private sector that becomes successful helps add value to the economy since it creates movement by importing, paying customs, engaging port services, banking facilities, logistics and so on. In addition, as it grows, it also purchases a lot of things within the country from other

“This goes without saying, the product is amazing and I feel that Toyota has got some of the best products around.”

Mohammed Saud Bahwan, Chairman of SBG

companies, including SMEs such as furniture, oil for the service centers and a lot of equipment. This is an ongoing process. In our case, we have more than 12,000 employees, and we also provide accommodation to a lot of them and to their families. Thus, as we rent or buy accommodations from other entities, we also add value to the economy to a certain extent.

And, of course we are a good corporate citizen and try to

ensure the social aspect of our contributions, like building medical centers for society, such as the Heart Center, the Diabetes & Endocrine Center and the Oncology Center. We have also constructed a children’s public library.

In addition, we build houses for people who are not able to do so, because once you have a house, then 90 percent of your expenses are taken care of and this is something we continue to do. We also send capable students who are unable to afford further studies to private universities abroad or in Oman.

On top of that, we send people who have medical conditions abroad so that they can receive proper treatment. We feel that this is our duty, because we strongly believe that we are a part of the fabric of society, and therefore at the end of the day we are a part of the family of Oman.

GI: How has your partnership with Lexus and Toyota changed the face of your company, and how would you like to see Japanese companies add to the already existing success and diversify your activities?

SBG: First of all, our success came from being very bold and opening outlets throughout the country, which of course also contributes to the economy as you will employ Omanis in those areas and train them. Almost every town has an outlet and three main facilities—the showroom, the service center and the parts warehouse. The primary focus is on customer satisfaction, which we believe is crucial, but at the same time, it does not happen

unless you have employee satisfaction. Thus, employee satisfaction really equals customer satisfaction.

So whenever a customer comes in, he sees a genuine smile greeting him. We have a philosophy saying that a dissatisfied customer will talk to probably 20 more people, so it is very easy to damage your company’s name.

Customer satisfaction does not just derive from repairing his car or selling him a vehicle, but from the moment he comes in and is being greeted, as well as advised on the vehicle, and explained all aspects, as well as characteristics of the vehicle, and why you are superior to the competition and so on.

Knowing how to properly answer the phone is very important, which is why we have training centers to teach employees how to talk to customers over the phone. On top of that, we have in-house training centers for our mechanics to ensure that they maintain their grade level A.

A huge part of our investment is allocated to infrastructure that is focused on building outlets throughout the country. Consequently, not only do they provide service to these towns, but also create jobs, and all of that contributes to the economy.

However, going back to the initial question, and this goes without saying, the product is amazing and I feel that Toyota has got some of the best products around. We work very closely with Japanese companies, so there is a lot of close cooperation, because in this kind of business one hand cannot clap.

We have a very strong association, I try to visit Japan quite often, sometimes even every month or once in two months, and the Japanese also come and visit us. So this practice of active visits has been present since the start of our partnership.

GI: What are the prospects for

manufacturing value-added products in Oman, and how interested are you in expanding throughout the GCC?

SBG: The discussion of having manufacturing here in Oman has been going on for quite some time now. While there are certain things that you can do, you also have to be practical. It would be good to have a manufacturing facility in the new port Duqm for re-exports; however, most successful manufacturing companies have a large domestic market and that is something that we really do not have yet. Therefore if we try to manufacture a certain model or a vehicle, we really need to consider how much we will actually sell here and if you cannot sell to a certain percentage then it becomes very difficult. There are also a lot of other existing manufacturing companies, so you are not the only one in the market.

Of course there is certain manufacturing that can be extremely successful here in Oman where we have the raw materials, but I think it is a bit too early for us to discuss or start manufacturing for the automotive industry. As a progressive company, we have achieved a very high market share and continue to maintain the same with an unerring focus on customer-satisfaction.

Throughout Oman, we have showrooms not more than 30 kms apart. Even in the desert, we have invested in facilities to cater to customers from oil companies. Add to this, 98 percent parts availability which is very unique in the world coupled with provision of 24/7 service support, which is truly rare and difficult to implement and you have the secret of our success.

GI: How interested are you in being the construction partner of choice for opportunities in the oil and gas sector with your Japanese partners?

SBG: We are very interested! We have been working with them in many of these kinds of projects in the past, but time changes and we have to change with it. What was right 10 years ago may not be

right today and may not be what we do 10 years from now. Thanks to His Majesty’s wise leadership, the economy focuses a lot on SMEs and it will be of great benefit for the economy’s future to create that kind of base. Thus, we would like to see more opportunities going into these kinds of enterprises, and I feel that having a wider private sector, these types of projects should be encouraged to be doing more with the SME, and we can help in that.

Speaking of SMEs, this is another area where we also try to contribute. For example, we have Yokohama tires, and even though we have outlets throughout the country, we try not to sell directly. Instead, we develop young entrepreneurs by giving them credit, training them, first of all, here, and by studying the market, we provide them with the right size of tires, so that they

“I genuinely want the Japanese people to understand how much we respect Japan and how much we truly love Japan.”

Mohammed Saud Bahwan, Chairman of SBG

can make a profit. We visit them every three months, and we take back the unsold tires so that these companies can go forward, which has been very successful.

We have used a similar model for the development of SMEs dealing in Toyota parts, across the country. Once these entrepreneurs have studied the market, worked with us for two-to-three years and made a profit, some of them return to their hometown and open their own business, which is also a contribution in its own way. This is really how the private sector can and should contribute.

GI What is your message to the Japanese at SME level about penetrating Oman as a gateway and you being the partner of choice?

SBG: I have to say I have a great deal of admiration for the

Japanese culture and people. I honestly really love Japan. The Japanese are very straight forward, they always ensure a win-win situation and it is always a two-way street. I have not seen such cooperation with anyone else. What is important is that their word is their bond. It was always a pleasure to work with the Japanese and is a pleasure to continue working with them.

While Japanese companies have a very special place in my heart, I have also had the good fortune of interacting closely with some excellent business partners from South Korea and America. I must say that I have been very impressed by their professionalism and work ethic.

GI: What is your 10-year vision in terms of working with the Japanese?

SBG: As far as the business goes, we want to continue devel-

oping what we have and what we do best. In this type of business you never stop and in terms of customer satisfaction it is a continuous work on a daily basis. We never reach 100 percent because the day you think you have reached 100 percent, complacency sets in and your downfall starts.

We therefore have to continue to work closely with the Japanese and, of course, seize the opportunities, not only for the Japanese in Oman, but also opportunities for Omanis in Japan, and I am also looking at Japan as an opportunity to invest. On top of that, I am happy to say that I have many good friends throughout Japan.

GI: What makes you most proud to be Omani?

SBG: What makes me really proud to be Omani is the fact that His Majesty has focused a lot

on the human aspect. It is very difficult for me to talk about my own people, so people need to come and see for themselves that Omanis are really friendly and hospitable people. His Majesty’s vision and direction have really made us proud that wherever we go, we are always welcomed and well-received.

GI: What is the key final message that you would like to portray to readers of The Japan Times?

SBG: His Majesty has literally dedicated his life to this country. Day and night he thinks about how he will improve Oman. He is the only leader I have seen who visits every area and literally lives with the people. His Majesty is sincerely concerned about people’s problems, which is the core of democracy.

With regards to the Saud Bahwan Group, I want to highlight that our growth has always been hand in hand with the Japanese, so you cannot separate Saud Bahwan Group and the Japanese.

I genuinely want the Japanese people to understand how much we respect Japan and how much we truly love Japan.

This is something that is very important to me as it comes directly from my heart, because Japan is a country that is very close to me and I hope it becomes even closer.

Saud Bahwan’s sentiments are echoed by Japan’s Ambassador to Oman, George Hisaeda:

“In addition to its excellent business atmosphere due to its political stability, Oman offers some of the greatest and most unique investment potential in the Middle East, and represents a golden opportunity for Japanese companies.

Many already operate in the sultanate and it is expected that the signing of the Bilateral Tax Agreement in 2014 and the anticipated signing of the Bilateral Investment Agreement in 2015 will increase Japanese investment in Oman further. The historic visit of Prime Minister Shinzo Abe to Oman in 2014 was made in this context.”

Working toward a healthier future

Oman, one of the healthiest nations on earth, is opening up to private health care, and welcomes Japan’s technological involvement

The Sultanate of Oman has consistently proved to be a leader in looking after the health of its people and has made remarkable achievements in the past four decades, as Minister of Health H.E. Dr. Ahmed Mohammed Al-Saidi points out.

“A number of international organizations have praised our health achievements, including UNICEF, which ranked Oman first in the Middle East and North Africa Region (MENA) and second globally with regards to the percentage of reduction of “Under-five Mortality Rate (U5MR).” Oman was able to manage a two-thirds reduction in U5MR in only 10 years, between 1981 and 1991.

“The same report also ranked Oman first in MENA in regards to measles immunization coverage. Oman was among the 12 developing countries that achieved the year 2000 target, set by the “World Summit for Children 1990” of at least 90 percent childhood immunization coverage, long before the target date.

The Human Development Report 1997 of the United Nations Development stated, “Beginning in 1970, Oman undertook a comprehensive program of human development, achieving some of the most rapid

advances ever recorded. Life expectancy has increased by 30 years, from 40 years in 1970 to 70 years in 1994.

“Infant mortality was reduced from more than 200 per 1,000 live births in 1960 to less than 30 in 1994.”

The same report considered Oman a global pacesetter for human development especially in areas of health and education. A study commissioned by the government of Oman, the UNICEF and the World Health Organization (WHO) on health achievements in Oman reported that Oman’s decline in childhood mortality is one of the fastest recorded in the world (published in 2000).

In its “World Health Report 2000,” WHO ranked the health system in Oman first among its 191 member states in efficiency to improve health and eighth with regards to the overall efficiency of the health system.

As the minister of health continues:

“The decrease in the proportion of the young below 15 years of age, increased proportions of the youth and the elderly and the increase in the life expectancy at birth; together with the other social and economic changes are factors that have contrib-

uted to such a transition. Non-communicable diseases are now considered the main challenges for Oman.

“To follow the achievements made in health status in the Sultanate of Oman over the past 40 years, and with the aim of further health developments, the Ministry of Health had implemented a number of scientific activities to develop a long-term vision for the development of the health system in Oman.

“It tried to answer the question; how would we like our health system to be 40 years from now for our children and grandchildren? It was thus labeled “Health Vision 2050.”

“Achieving such characteristics will definitely depend on the availability of resources and technology at the time of developments and will be the responsibility of successive health development plans. It is also dependent on the kind of partnership we build with other stakeholders in the health system, both governmental and private stakeholders.

“The aim of “Health Vision 2050” is that the Omani people live healthy and productive lives through the establishment of a well-organized, equitable, efficient and responsive health

system, grounded by societal values of equity and social justice and thus this document has the theme “Quality Care and Sustained Health.”

The contribution of private health sector in Oman, unlike other countries, is currently only one-fifth (18.9 percent) of the total health provision.

The “Health Vision 2050” discussed extensively issues related to the financial sustainability of the health system.

As the minister explains: “Among other visions and stra-

“Medical equipment, technology, and human resources training in the health field are areas Japan can provide to the Sultanate of Oman.”

H.E. Dr. Ahmed Mohammed Al-Saidi, Minister of Health

tegic actions, the establishment of a “Social Health Insurance Scheme” was raised. Such a scheme is expected to encourage private investment in health.

“The “Health Vision 2050” blueprint considered public-private partnership essential for sustainability of the health system and proposed strategic actions to increase the contribution of the private sector to have 50-50 partnership by the year 2050 with the private sector owning and running 50 percent of health services, especially expensive in-patient services.

“The technological and social

advances made in Japan makes it a strategic partner in the development of our health system. Japan can be of great support for establishing our Medical City and other state-of-the-art tertiary care hospitals. Medical equipment, technology, and training of human resources of health are areas Japan can provide to the sultanate.”

A healthy and wealthy nation
One company that has been taking good care of the health of Omanis, and others in the

the health care business. We have four revenue divisions which are represented by the Institution Division (comprising pharmaceuticals, surgical disposables, medical equipment, medical disposables, nuclear medicine, diagnostics and so on); Pharmaceutical Division—Private Market; FMCG Division, comprising infant nutrition, baby accessories, perfumes and cosmetics and our retail pharmacy division.

“The Ministry of Health of Oman has detailed guidelines laid down that our business partners have to follow—so as to allow the imports of their products in to the country.

“Ibn Sina Pharmacy is meticulous in associating with its business partners. We evaluate the strengths of our potential partners, check for the market competition and apply our own methods of finalizing the therapeutic areas as we do not want to get into areas that are already overcrowded.

“Pharmaceuticals are divided into critical-care drugs and other therapeutic drugs. We would be interested in having a mix of both.

“It is well known that not many Japanese companies have ventured into the Middle East, so we would be glad if some companies came directly into the market. From our side we are open to meeting pharmaceutical companies—and we do not have



Saud Bahwan Group is one of the most renowned business houses in Oman and the region with a range of market leaders across diverse businesses. They include brands like Toyota, Lexus, Hino, Yokohama, Komatsu, Kato and more. In pushing outwards the boundaries of excellence, the Group continues to touch the lives of millions through its goal - 'Customer Satisfaction No. 1'. No wonder then that Saud Bahwan Group was awarded - 'The Best Arab Organisation' across 22 countries.

Diverse Operations, One Aim - Customer Satisfaction



Automotive



Heavy Vehicles



Construction Equipment



Turnkey Projects



Municipal and Civic Services



Airport, Seaport and Industrial Equipment



Property and Real Estate



Travel and Tourism

Saud Bahwan Group Corporate Centre, Muscat, Oman





SAUD BAHWAN Group
www.saudbahwangroup.com

**TOYOTA**

**LEXUS**

**HINO**

**YOKOHAMA**

**KOMATSU**

**KATO**

**GS**