



Glorious Era REFLECTIONS

Congratulations to
**His Majesty
Sultan Qaboos bin Said**

and the people of Oman
on the occasion of the

National
45 *Days*

ميناء صلالة  Port of Salalah

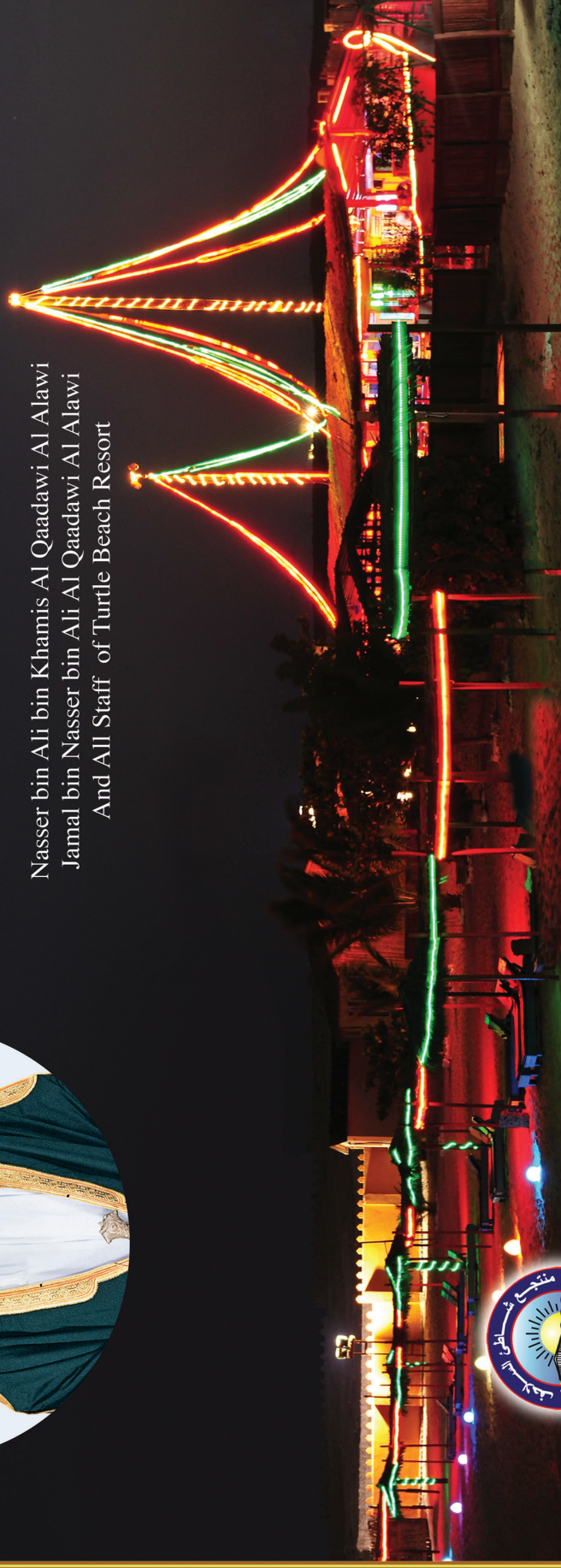




Warmest Felicitations to
His Majesty, Sultan Qaboos Bin Said
and the people of Oman on
45th Year of National Day

With the successful leadership of his Majesty, our country Oman continuously grows. We All at Turtle Beach Resort staff and Management pray to Allah to bestow his Majesty good health and long life.

Nasser bin Ali bin Khamis Al Qaadawi Al Alawi
Jamal bin Nasser bin Ali Al Qaadawi Al Alawi
And All Staff of Turtle Beach Resort



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Inside...

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45





CARING FOR THE NATION AND REGION

- *His Majesty exhorts to take balanced precautionary measures to limit the effects of global economic situation*
- *Praises electoral process and huge turnout of voters which reflected citizens' keenness to perform their national duties*

His Majesty Sultan Qaboos presided over a meeting of the Council of Ministers at Bait Al Barakah on November 1 and reviewed conditions in the local, regional and international arenas. On the domestic front, His Majesty the Sultan referred to the expected climatic conditions, expressing his satisfaction, so far, over the efforts undertaken by the departments concerned to provide protection for citizens. His Majesty the Sultan hoped that people all over the Sultanate and peoples of neighbouring countries will enjoy safety and protection against any harm. About the elections, which took place in Oman recently to select members for Majlis Ash'shura, His Majesty the Sultan commended the success of the electoral process and hailed the large turnout of citizens, which, His Majesty said, reflects the citizens' keenness to perform their national duty.





His Majesty Sultan Qaboos presides over a meeting of the Council of Ministers.



Diplomacy That Builds Bridges of Friendship

His Majesty Sultan Qaboos received credentials of Ambassadors of countries accredited to the Sultanate at Hisn Al Shumoukh in the Wilayat of Manah on November 10.

Roland Dubertrand, Ambassador of France, Umardin Hj Abdul Mutalib, Ambassador of Malaysia, Dr Ahmed Ramadhan, Ambassador of Palestine, Yu Fulong, Ambassador of President Xi Jinping of China, Ugur Dogan, Ambassador of Turkey, Jonathan Paul, Ambassador of the UK, and Mohammed bin Sultan al Suwaidi, Ambassador of the UAE, presented their credentials to His Majesty.



GLIMPSES

of His Majesty's early life

His Majesty Sultan Qaboos, the visionary leader of the Sultanate, who acceded to the throne on July 23, 1970, has since successfully led the country to all-round development with his far-sighted policies and programmes.

His Majesty undertook a range of ambitious modernisation projects, including construction of roads, hospitals, schools, communications systems, industries and ports.

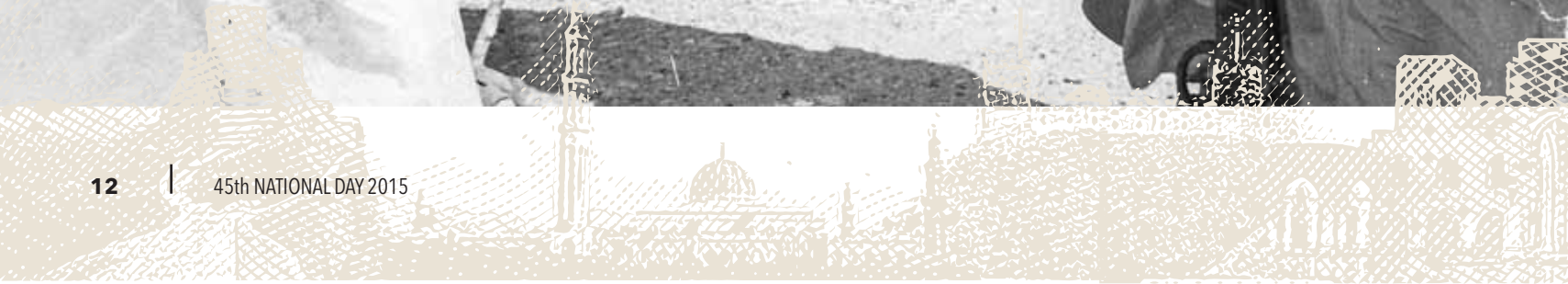
The pictures given in this section give glimpses of the leader's early life, his endeavours as a young dynamic leader and interactions with visiting dignitaries and loving citizens.







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National Day

يسر الجمعية العمانية للخدمات النفطية
(أوبال) بالنيابة عن أعضائها أن ترفع
أسمى آيات التهاني والتبريكات
للمقام السامي حضرة صاحب الجلالة
السلطان قابوس بن سعيد المعظم
حفظه الله ورعاه وإلى الشعب العماني
بمناسبة العيد الوطني الـ 45
داعين المولى عز وجل أن يحفظ جلالته
ويمدّه بموفور الصحة والعافية
وكل عام والجميع بخير

On behalf of
OPAL's Members Oman Society
for Petroleum Services (OPAL)
Congratulate His Majesty
Sultan Qaboos Bin Said
and the people of Oman
on the Occasion of
the 45th National Day.

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A NEW OIL & GAS MAGAZINE
FOR THE OMANI MARKET



For Peace and Justice



Growing Influence

owing to its strategic location, Oman plays a very important role in maintaining peace and stability in the world, especially in the Middle East. In his recent speech to the United Nations General Assembly this year, Minister Responsible for Foreign Affairs Yusuf bin Alawi bin Abdallah said Oman has been looking forward to a world of peace and justice, solving all forms of conflict through dialogue.

“We are convinced that dialogue is the natural foundation upon which all forms of conflict can be resolved,” he said, noting that throughout history, mankind has aspired to enhance confidence on the basis of agreed and conciliatory ideas, and that principles of the UN Charter deepen and widen common interests and mutual benefits.

He welcomed the agreement between international negotiators and Iran on that country’s nuclear programme, and expressed hope that the ‘historic’ deal would reflect positively on regional and international peace and security, and pave the way for a new area of relations, based on cooperation, respect and mutual trust.

He said Oman’s humanitarian programme in Syria will be continued for providing protection to the refugees and called on all parties in Yemen to respect the rules of international law and refrain from any act that would violate their international obligations.

“We also call upon the United Nations and the parties sponsoring the peace process in the Middle East to exert more efforts, so as to reach an agreement for settling this crisis, instead of merely proceeding with managing it,” he said.

Oman’s foreign policy is based on the principles of development and maintenance of good relations with all neighbours, an outward looking and internationalist outlook, as befits Oman’s geographic location and

- *Sultanate plays key role of peace maker*
- *Working for a world of peace and justice*
- *Historic role in clinching Iran nuclear deal*
- *Humanitarian programme in Syria, Yemen*

longstanding maritime traditions; a pragmatic approach to bilateral relations, emphasising underlying geostrategic realities rather than temporary ideological positions and the search for security and stability through cooperation and peace, rather than conflict.

These principles have been consistently applied and have proved both valuable and durable. Oman’s adherence to these principles has allowed foreign policy to be flexible and to meet the challenges of the

on World Stage



*HH Sayyid
Fahd with Saudi
foreign minister.*



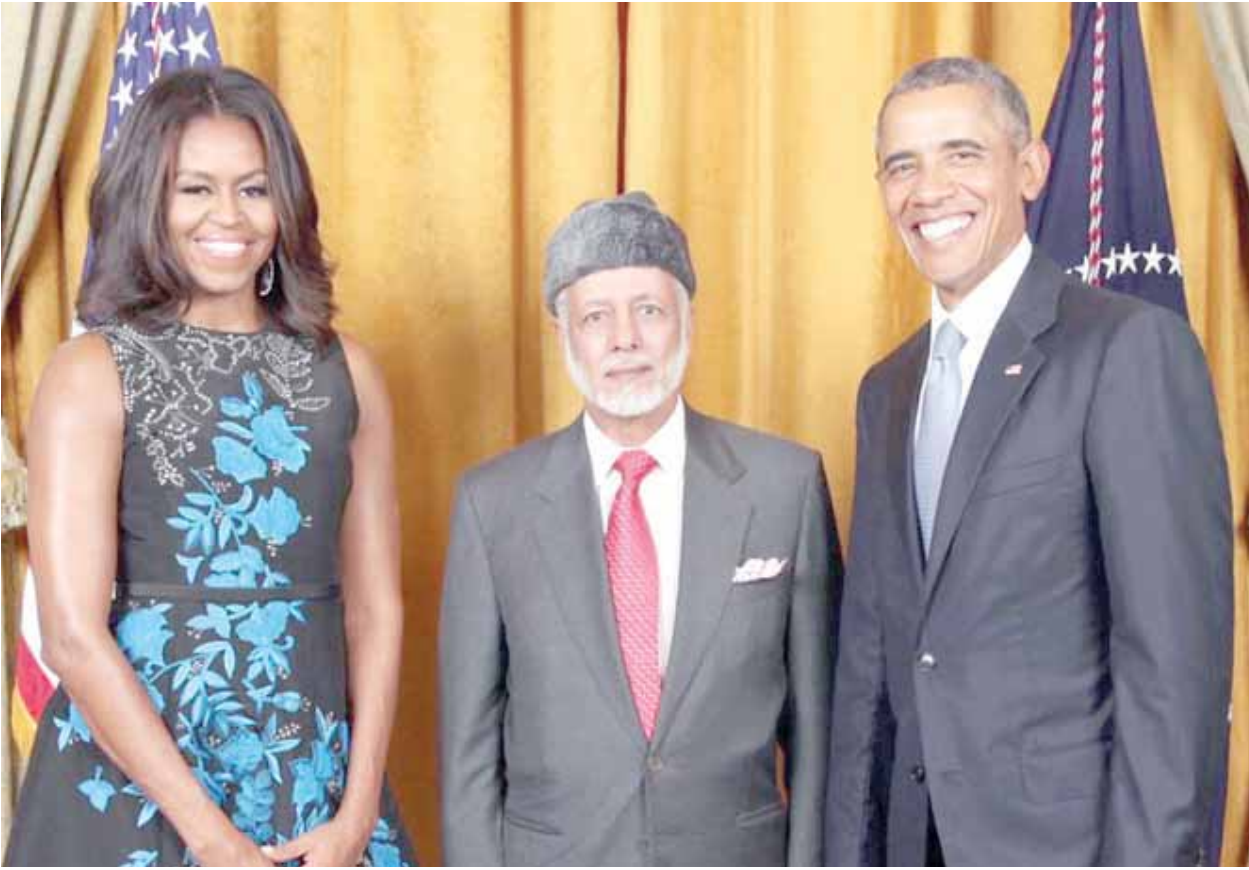
*HH Sayyid Fahd
with Taavi Roivas,
Prime Minister of the
Republic of Estonia*



The trilateral meeting between the US, Iran and EU was held in Muscat.



Alawi with Syrian President Bashar Assad.



On behalf of His Majesty Sultan Qaboos, Yusuf bin Abdallah, Minister Responsible for Foreign Affairs, represented the Sultanate at the 70th session of the UN General Assembly in New York. The picture shows Alawi with US President Barack Obama.

new international environment with confidence.

These principles are derived from Islamic and Omani values of tolerance, compassion, consultation and moderation, and Oman actively seeks to promote, through discussion, dialogue and cultural exchange, the fullest possible understanding and mutual respect between the diverse cultural traditions of the world.

In the application of these four principles, economic considerations play an increasingly important role and Oman conducts its economic relations with other countries on the basis of free market principles.

Oman encourages free trade, the participation of the private sector in all aspects of social and economic activity, and supports international agreements on intellectual property and foreign investment.

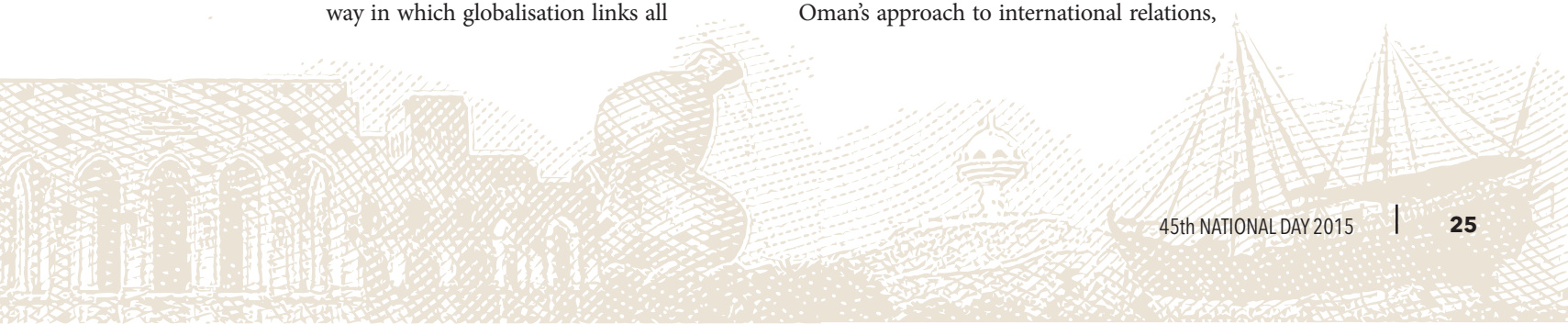
Oman adopts a multilateral approach to the global economy, in recognition of the way in which globalisation links all

economies with one another.

Oman is a founding member of the Gulf Cooperation Council (GCC), a member of the Arab League and the United Nations, as well as being a founder member of the Indian Ocean Rim Association for Regional Cooperation.

In its participation in all these regional and global bodies — and in many others — Oman seeks to encourage cooperative solutions to global and regional problems, and to uphold International Law, internationally agreed principles, conventions and legal frameworks.

Oman has consistently and actively supported moves towards a comprehensive Arab-Israeli peace settlement, in accordance with the principle of land for peace, and in conformity with United Nations Security Council Resolutions. The right of self determination and respect for national sovereignty remain key values shaping Oman's approach to international relations,



and Oman continues to work, in collaboration with its friends and allies, to ensure that these values are upheld globally.

Political analyst Amar Ismail says that Oman's diplomatic efforts played an important role in settling the nuclear deal between the P5+1 countries and Iran.

It may be noted that Al Alawi recently met Syrian President Bashar al Assad in Damascus to discuss ways to resolve the political crisis there. Oman had played a key role to bring an end to the conflict in Yemen, and secured the release of several hostages in

Yemen.

Recently, Oman announced its plans to invest in Bagamoyo Port and Industrial Zone of Tanzania which will strengthen the economic relation between the Sultanate and East Africa. Several Omani businessmen and officials have confirmed that the investment in the construction and development of the port and free zone, along with the Tanzanian government and Chinese Merchant Group, is a strategic gain.

This will strengthen the historical, economic and trade relations between the



Oman has consistently and actively supported moves towards a comprehensive Arab-Israeli peace settlement, in accordance with the principle of land for peace, and in conformity with United Nations Security Council Resolutions.



Humanitarian aid for suffering people in the neighbouring countries.



Sultanate and Tanzania on one hand and the development of the maritime and logistical transport services on the other.

Yahya bin Abdullah al Fanah al Araimi, head of the Economic Affairs Department, Ministry of Foreign Affairs, said that the port of Bagamoyo project comes to complete the historical role of the Sultanate in maritime transport and seaports. He added that the port is a bridge of communication between the Sultanate and East Africa, and is strategically important to complete the transport of goods cycle and other things.

Abdullah bin Saleh al Sa'adi, Oman's ambassador to China, said the investment in Bagamoyo Port would benefit the two countries as it is a significant gain to the Sultanate through a partnership with the giant Chinese Group, which owns 28 ports around the world and business partnerships with more than 130 trading companies.

Saud al Rawahi, head of the Omani side in the Omani-Tanzanian Joint Business Council, expressed his happiness to see the Sultanate entering in the investment partnership with the Tanzanian government and the Chinese Merchant Group, in the construction and development of the Tanzanian port of Bagamoyo, stressing that

this vital project will serve the region dramatically, especially African landlocked countries.

The relationship between Oman and United States also dates back to centuries. A treaty of friendship and navigation was concluded in 1833. It was replaced in 1958 by the Treaty of Amity, Economic Relations, and Consular Rights, and the two countries established diplomatic relations in 1972. Oman and the United States signed a military cooperation agreement in 1980, which was revised and renewed in 2010.

Oman plays an important role in helping US realise its regional stability goals. Oman is strategically located on a key naval chokepoint through which 40 per cent of the world's exported oil shipments pass.

US and Oman have a free trade agreement that has been in force since 2009. In 2014, Oman exports to the US totalled \$975 million while US exports to Oman accounted for more than \$2 billion, a 28.2 per cent increase from 2013. US exports to Oman include machinery, vehicles, aircraft, agricultural products, and medical instruments. US imports from Oman include crude oil, jewellery, plastics, fertilisers, iron and steel products.

People's Mandate



45

A Victory for Democracy





As many as 611,906 registered voters of 61 wilayats walked to 107 polling stations across the country to elect 85 candidates out of 590, including 20 women, for the 8th term of the Majlis Ash'shura.

The recently held elections to the Sultanate's consultative council, Majlis Ash'shura, for the 8th term was proclaimed to be a victory for democracy on the Arab soil by international media.

As many as 611,906 registered voters of 61 wilayats walked to 107 polling stations across the country to elect 85 candidates out of 590 candidates including 20 women for the 8th term of the Majlis Ash'shura which witnessed active involvement of candidates and voters alike.

The Ministry of Interior had ensured all measures for the smooth conduct of the elections. The Higher Committee for Majlis Ash'shura is in charge of supervising the elections, election appeals, monitoring the work of election committees, the circulars and decisions issued by the Main Election

Committee and approving the final results after the voting. This was the first time electronic voting was put in use for Majlis elections.

“Shura Council election is the voice of the people in all aspects of life and through the experience of the media men from across the world who are present in Oman today, we can assimilate that there is sound response to the Omani Majlis elections which is a crucial step in the nation’s march towards progress”, Dr Abdulmunim bin Mansour al Hasani, Minister of Information, had said.

During his visit to the media centre at the InterContinental Hotel during the elections, he said: “As they say, the voice is the right of the common man and they are utilising their right to vote as a means to express their feelings.”

Well before the final day of elections, Oman had held the 1st round of elections

where several hundreds of citizens from Musandam and Dhofar governorates residing in the capital city cast their ballots at the two specially arranged polling stations, while Omanis residing in other GCC countries voted at their respective embassies and other diplomatic missions.

The electoral procedures took place at the Al Ola School (for men) and Thuraiya School (for women) ahead of the elections which were held on October 25 aimed at helping nationals who are away from their domicile and those who would be called on for duty on the election day.

“We followed a very transparent yet highly confidential voting procedure ensuring complete foolproof system in place. The response was overwhelming and a good percentage of people cast their voting rights on this day”, Dr Nabhan bin Rashid al Mawali, Head, Unified Centre for Dhofar and Musandam governorates who





oversaw the procedures at the two centres, said.

International media representatives praised Oman's elaborate arrangements for the elections and urged other countries to follow the system.

"I am literally amazed by the extensive preparations in place to make the elections foolproof and transparent. Definitely, this can be replicated in other countries", Kameel Shalala, Chief Editor of *Middle East Times*, who has covered major elections across the world, said.

With elections to the 8th term Shura Council, the Sultanate of Oman is taking its first steps towards democracy, opines the President of Arab Women Media Centre, Jordan.

"It is the first time that I attend the Omani election process and today I went to different polling stations and was amazed at the active participation of both men and women", Mahasen al Imam, President of the Amman-based Arab Women Media Center, told the *Observer*.

"This kind of active participation rate will only increase Oman's prospectus to head towards democracy giving people equal right in the national governance. I personally feel that these elections are the first step towards democracy", she said in an exclusive interview.

"Also, the fact that there are a number of women candidates in the fray in almost all the wilayats is highly promising."





Voters across the country too had their comments on the day they exercised their franchise. They expressed their thoughts of the electoral procedures.

“We were received warmly once we stepped into the centre”, says Yahia al Nadabi, who never misses his chance to cast his ballot. “Conduct of elections this year is even better than that of the previous years and the election process was very fast and easy”.

Dr Sharifa al Balushi, Head of Assela bint Qais Centre in Al Hail, praised the voters’ level of awareness as she expressed her happiness to see a smooth electoral process going on. “This year we noticed a big shift in voters’ awareness, be it on casting ballots mechanism or the concept of voting itself”, she commented.

After the successful and peaceful elections, at Khalid al Maawali, a young, ambitious member from Wadi al Mawal in South Al Batinah who has greater dreams for the development of the nation, was re-elected to be the Chairman with a majority of 59 votes against 25 which were shared by Saleh bin Saeed al Masan (11); Mohammed bin Salem

Khalifa al Busaidi (9); Ahmed bin Mohammed Yahya al Haddabi (3); and Mohammed bin Sulaiman Hamoud al Kindi (2).

After the election process held at the Majlis enclave at Al Bustan area, members said the current threat posed by dwindling oil prices across the globe, ensuring quality healthcare and better education for the people of Oman are the top priorities of the 8th Majlis Ash’shura.

“My re-election reflects the desires of the common man in the country and with the second term, my responsibilities to the nation have only doubled and I will try to impart services to the nation aiming at the well-being of the people and overall progress of the country”, Khalid told the media.

“The election of the Chairman of Majlis Ash’shura for the current term went on as planned and that all members have joined hands to ensure its success”, Shaikh Ali bin Nasser al Mahrouqi, Secretary General of the Majlis Ash’shura, told the media, adding that “having new 60 members at the Majlis Ash’shura will have a positive reflection on



Al-Hosn Investment Company S.A.O.C.
and
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would like to extend their greetings to

His Majesty Sultan Qaboos bin Said

on the occasion of Oman's 45th National Day,
wishing him and the people of Oman
a prosperous year ahead.



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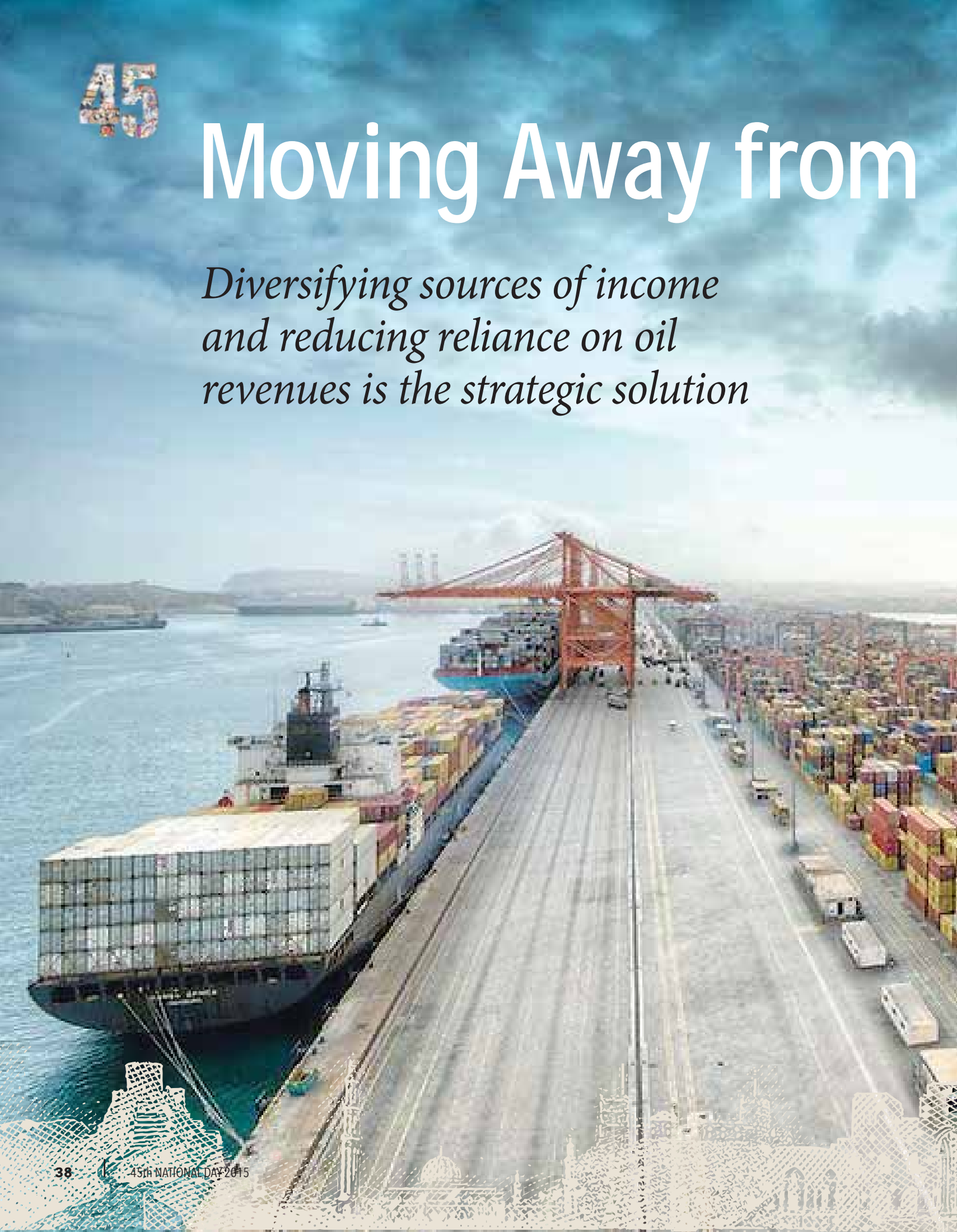
Resources



45

Moving Away from

*Diversifying sources of income
and reducing reliance on oil
revenues is the strategic solution*



Oil

Oman will continue to invest in strengthening and diversifying its economy despite the damage to its state finances from low oil prices, according to Central Bank of Oman's executive president.

Cheap oil has slashed the government's revenues, pushing it deep into the red; it posted a budget deficit of RO 2.68 bn (\$6.97 bn) in the first eight months of this year, swinging from a RO 205.7m surplus a year earlier.

That puts the Sultanate on track for a massive deficit of over 15 per cent of gross domestic product this year. Oman lacks the big fiscal reserves of its neighbours; assets in its two biggest sovereign wealth funds are estimated to total around \$20 bn.

Hamood Sangour al Zadjali told a summit that Oman would press ahead with ambitious, and costly, efforts to expand its industrial base and create jobs. Industrial and

infrastructure projects under construction or planning will cost billions of dollars.

"In the milieu of lower oil prices, the key goal before the government and the CBO (central bank) is to strengthen the growth process and give a fillip to the diversification process," Al Zadjali said. "Our previous experiences suggest that the resilience and inner strength of the Omani economy will tide over lower oil prices and sustain its growth process."

Economists and business executives believe that to save money, the government may be on the verge of cutting petrol, natural gas and electricity price subsidies which the International Monetary Fund estimates cost over \$7 bn annually. It has also been considering tax increases.

"The government is working hard to reduce expenditure and increase revenues through various means. They have directed the ministries to cap their expenditure at a





certain level, or to cut the expenditures by a certain percentage,” Zadjali said. “On the revenues side, the government is considering taking some of the load off by cutting subsidies, and increasing some of the fees.”

The government has been expanding debt issues to cover its deficit, and this month received orders of RO 336m for its first issue of sovereign Islamic bonds, worth RO 200m.

Al Zadjali said such issues could be conducted without straining liquidity in the local banking system because they were open to banks from elsewhere in the region, and could attract back to the country some deposits held by Omanis abroad.

But as pressures on Oman’s finances have increased this year, the Omani rial forwards market has become more unstable, which may be a sign of institutions hedging against the risk that the Omani rial’s peg could eventually be removed.

Removing the peg, or at least depreciating the rial to a lower level, could help government finances by inflating the rial value of oil export earnings. Zadjali made clear, however, that any currency change was not on the cards.

“The CBO, on its part, remains firmly committed to the fixed peg with the US dollar which has been sustained at \$2.6008 per Omani rial since 1986,” he said.

“Our assessment has been that despite concerns arising from imported inflation, the

benefits of the fixed peg are substantial, given our economic structure and high degree of openness in both current and capital accounts.

“The fixed peg provides the country with a stable exchange rate which helps in promoting investment, growth and diversification of the economy. As the fixed exchange rate has served the country well, there is no proposal to change the rial’s peg to the US dollar.”

Overview

There is a consensus among the international organisations, such as the International Monetary Fund (IMF) and the World Bank (WB) that diversifying sources of income and reducing reliance on oil revenues is the strategic solution that helps the GCC countries overcome fluctuation of financial resources. The Sultanate has early realised the importance of diversifying sources of income and thus sought to find alternatives for oil and gas revenues. To this end, it invested heavily in agricultural, industrial, fisheries, tourism and other sectors.

Most oil exporting countries are now facing financial plight due to sharp decrease in their revenues resulting from the crude oil price slide in the world markets. This situation doubled the importance of



intensifying the efforts made to diversify the sources of income at the time oil prices fall to almost 50 per cent of the price during the last quarter in 2014. The southward movement of oil prices will surely have a negative impact on economy.

To ensure controlling fluctuation of financial resources for state revenues, there is only one option; that is not to rely on one source and making endeavours to diversify sources of income and enter into real partnership with the private sector.

We should use the financial plight associated with oil price slump as a motive for realistic planning to diversify source of national economy and leverage the available human, natural and non-oil resources. It is not strange that diversifying sources of national economy has been one of the aims of the five-year development plans in the Sultanate.

Quick reading of the state budget for 2014 shows that Sultanate's economic growth is dependent on the oil revenues. The state revenues amounted to RO 11.7 billion with 4.5 per cent growth rates compared to the past year. The deficit was estimated at RO 1.8 billion or 15 per cent of the revenues and 6 per cent of the GDP; on the assumption that the average oil price will be \$85 per barrel.

The Omani economy is expected to continue its high growth rates supported by a number of factors including increase in oil production and stability in prices, continuing the financial incentives policy adopted by the Government, monetary policy that supports this trend coupled with the growth in local demand.

The big challenge for the Sultanate's budgets is to reduce reliance on oil revenues. The state budget figures show that oil revenues constitute 83 per cent of the revenues or RO 8.15 billion compared to 17 per cent of non-oil revenues or RO 3.5 billion. 50 per cent of the non-oil revenues are generated from estimated taxes.

Based on the aforesaid, we can say that diversifying sources of income needs a real partnership between the private and public sectors. The Sultanate has good potential in diversifying sources of its national economy, especially its exploitation of its fisheries does not exceed 10 per cent. The tourism revenues are also

very limited taking into consideration the Sultanate's rich tourism potentials.

Recently released figures indicate that Oman's diversification strategy is beginning to bear fruit. But, despite the Sultanate's finances looking healthier, the country still remains vulnerable to price shocks in the energy sector.

The economy posted solid growth for the first quarter of the year, with nominal GDP rising 4.6 per cent year-on-year, according to data issued by the National Centre for Statistics and Information (NCSI) on July 4. The oil and gas sector recorded a 0.2 per cent decline, which was easily offset by an 8.3 per cent rise in the non-energy sector, mainly driven by a 10.9 per cent jump in the services sector.

The services sector saw wholesale and retail trade, its largest component, rise 7.1 per cent and real estate services grew by 6.1 per cent, suggesting increasing confidence in the consumer sector — a factor that should continue to fuel economic activity over the rest of the year.

Omanisation

There is also evidence that the Omanisation programme — a policy to replace migrant workers with nationals — is gaining traction, too.

The number of expatriate workers in Oman has been steadily declining since the measures were introduced, and as of the end of May there were nearly 190,000 Omanis registered as working in the private sector, a 3.7 per cent increase from end-2013 levels. Fewer workers from India, Pakistan, Egypt, and Ethiopia arrived in Oman between March and May, according to the NCSI data.

Another positive development is the strong turnaround in state finances over the past year. The budget recorded an RO 551.3m (\$1.43 bn) surplus for the first five months of the year, compared with a deficit of RO 71.6m (\$186.5m) in the same period in 2013 according to a July report from the statistics agency. Total state revenues increased 0.5 per cent for the period year-on-year to RO 6.04 bn (\$15.7 bn).

The improvement in the budget was all the more significant as oil earnings showed a decline, highlighting the strides Oman has made to diversify its economy. Oil revenues dipped RO 200m (\$520m) in the first five months of 2014 compared with the same period a year ago to RO 4.3m (\$11.2 bn).



Vulnerable to oil shocks

While most of the recent data suggests that the economy's solid performance looks set to continue in the short to medium term, ratings agency Standard & Poor's (S&P) has said Oman could face headwinds in the longer term.

In a report issued at the beginning of July, S&P warned that Oman, along with Bahrain, were most vulnerable to a fall in oil prices. Hydrocarbons, which still account for half of GDP, are set to remain vital to the economy for the foreseeable future. S&P added a sharp and sustained drop in the oil price or in export volumes could hit the Sultanate's economic and financial indicators, more so than most of the other Gulf states. This was mainly due to Oman having a higher break-even point for oil prices than other GCC members, with the exception of Bahrain.

A Natural Treasure Trove

Oman is blessed with abundant mineral resources and deposits that, alongside its oil reserves, form a vast repository of varied natural reserves and include petroleum, copper, asbestos, some marble, limestone, chromium, gypsum, natural gas, frankincense, steel and crude oil.

These natural reserves are said to be able to make a significant contribution to the economy, or are likely to do so in the future. Adding to that, surveys indicate that deposits of numerous other materials such as coal, iron ore, lead, manganese, nickel, silver and zinc are largely present in various parts of the country. Large deposits of metal ores are located at the Sayh Hatat area which lies in the northeast of Izki and the Jabal Al Akhdhar areas. Substantial deposits of zinc and lead are known to exist in Dhofar, Jaalan and Hawshi Huqf which is in the southwest of Al Ghabah.

A group of geoscientists earlier this year conducted a field trip to North Al Batinah governorate as part of enhancing research cooperation between the German University of Technology in Oman (GUtech) and its partner-university RWTH

Aachen University in Germany.

The group was headed by Prof Wilfried Bauer, a geologist with research interest in structural geology, mineral and whole rock geochemistry and petrology of Precambrian complexes in Antarctica, South East Africa and Russia and associate professor with GUtech.

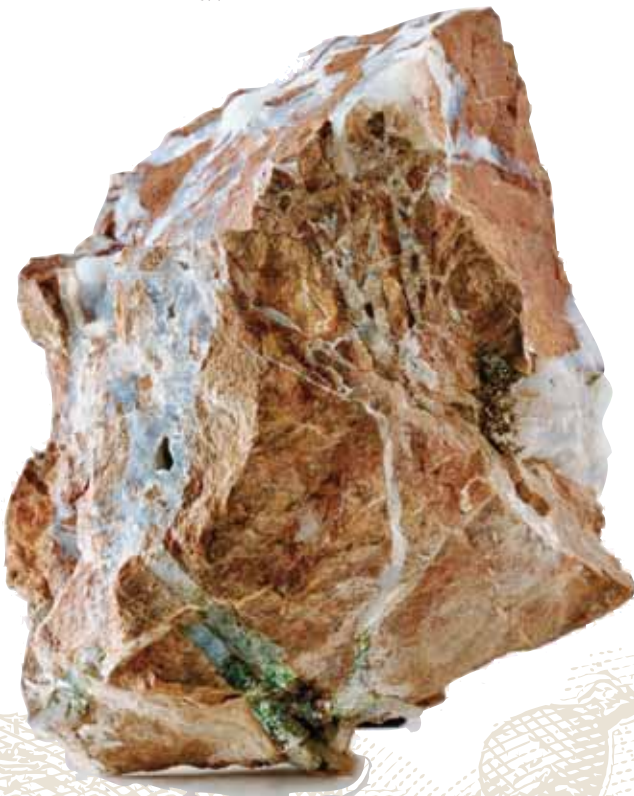
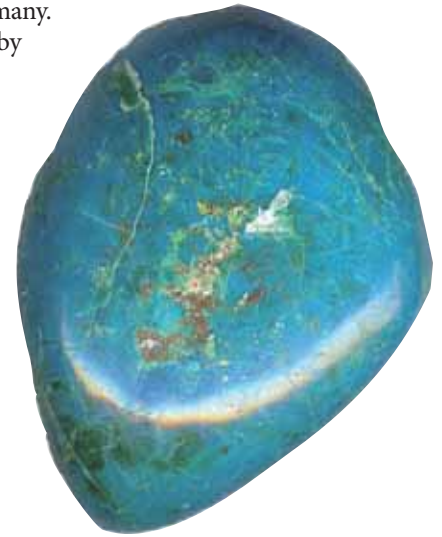
“Oman is a fascinating country, where the earth mantle is visible. It is very different from Madagascar where I worked before. During our field excursion I had a number of ideas on research projects including a BSc thesis in my fields of interest,” said Prof Bauer.

The group of geoscientists also visited the National Copper Mining Company, in Sohar, which had sponsored some research projects for the Department of Petroleum Geosciences recently and studied the Sultanate’s rich natural resources and made their reports to their University.

“Our main aim was to find out about joint research projects, based on the current projects,” said Prof Peter Kukla, Director of the Geological Institute, Energy and Mineral Resources Group, RWTH Aachen University.

Reports say that Oman stands better chances of exploiting coal reserves at Al Kamil, near Sur, to replace oil in electric power generation and efforts are on in this direction. A preliminary study on coal completed by the United Nations estimates coal reserves in the Sultanate at 22 million tonnes, a figure considered adequate for domestic use but not for export.

Oman’s main copper reserves are in the Sohar area on the Al Batinah coast. The processing of ore at the Sohar complex, operated by the government-owned Oman Mining Company, was begun some decades ago. The production of chromite by the Oman Mining Company also began in the same period in the Batinah area. Exports of these mines are primarily to the Far East



market and a vast number of countries import Oman's natural reserves.

Today, Copper ore is extracted and processed in Oman and then used for the production of copper anodes. The ore deposits around Sohar are geologically similar to those found in the deep ocean.

Historically, crude oil production was high throughout the oil era of the 1970s' Gulf boom, and declining oil prices in the 1980s prompted the government to further increase production in an attempt to maintain revenue. This policy, however, was reversed in 1986 when Oman followed the lead of the Organization of Petroleum Exporting Countries (OPEC) and sought to sustain price levels through production cuts aimed at diminishing world oil supplies. Production again increased in the 1990s, and in the early 21st century the country's oil production was roughly three times the rates of the 1970s.

Several copper mines and a smelter were opened in the following decades at an ancient mining site near Sohar with the aim of tapping the natural reserves. Chromite is also mined in small quantities. Coal deposits at Al Kamil area have been explored for potential exploitation and use, especially to generate electricity. Exploration projects that began in the mid-1980s to uncover more

unassociated natural gas have proved successful, and pipelines were constructed from the gas fields at Yibal to Muscat and Sohar and to Izki. By the late 1990s the known natural gas reserves were double those of less than a decade earlier. A facility for the liquefaction of natural gas was opened in Qalhat, and in 2000 Oman began exporting LNG.

Copper mine near Sohar; copper has been mined in Oman since ancient times. In July 1991, the government established the Oman Chrome Company (OCC), in which it holds a 15 per cent share with the remainder of the shares being held by the private sector. The OCC was created to develop the country's chromite reserves which was then estimated by at 2 million tonnes of chromite at 600 sites throughout the country. The public offering of OCC shares reflects the government's official policy of encouraging private-sector participation in industry and manufacturing.

Limestone for cement production is mined in both the northern and the southern areas to supply the Oman Cement Company's plant in the Rusayl Industrial Estate near and the Raysut Cement Corporation's plant. Tile and marble are also produced for local construction.





Islamic banking in the Sultanate has been opening up new segments and adding to the competitive environment not only in terms of efficiency and innovations but also in providing the consumers the benefit of new banking experience.

Oman was the last among its GCC peers to establish Islamic banking.

As at the end of third quarter of 2015, there were two full-fledged locally incorporated Islamic banks, namely, Bank Nizwa and Al Izz Islamic Bank. Six out of the seven locally incorporated conventional commercial banks were also offering Islamic banking services through dedicated window operations.

Six finance and leasing companies licensed by Central Bank of Oman (CBO) are also engaged in leasing activities, hire purchase, debt factoring and similar asset-based financing in Oman. Till the end of December 2014, there were 15 exchange establishments licensed for money changing and remittance business as well as 31 money changing firms.

Islamic banking represents only five per cent of the total banking assets in Oman but could grow rapidly, as witnessed in neighbouring countries where market shares range between 20 per cent and 30 per cent.

In the Sultanate, total deposits held with Islamic banks and windows registered a significant increase to RO 1.2 billion till the end of August 2015 from RO 400 million outstanding as at the end of August 2014.

The entities together provided a financing to the extent of RO 1.45 billion up to August in 2015.

During the last three quarters, both Bank Nizwa and Al Izz bank posted remarkable rise in their assets and deposits and succeeded in slashing their losses.

While Bank Nizwa trimmed its net loss by 29 per cent to RO 4.23 million for the nine months ended on September 30 from RO 5.96 million in the same period last year, Al Izz Islamic Bank brought it down to RO 4.22 million from RO 4.42 million in the same period.

According to Standard & Poor's, Islamic finance assets worldwide now exceed \$2 trillion.

"Islamic finance will have the impetus to continue progressing and maintain growth in Oman", says the rating agency.

The overwhelming response to the recent debut sovereign sukuk issuance by the government to tap the domestic and international capital markets in its bid to diversify the country's funding sources is seen as a positive step as far as the demand for Islamic products are concerned.

Sovereign sukuks can be bought by Islamic banks and provide an attractive option for placing excess liquidity in a lowly risk weighted asset. Previously, Omani Islamic banks tended to hold excess liquidity in cash due to sharia constraints.

Apart from meeting the government's fiscal needs and giving a boost to the capital market, the sukuk is expected to aid the Islamic banking

The Government has studied the Islamic finance industry in the country and identified a need for investment avenues for Islamic financial institutions, Islamic funds and Takaful operators to deploy their excess funds in a sharia compliant manner in the country.

industry to use it as a liquidity management tool.

“The Government has studied the Islamic finance industry in the country and identified a need for investment avenues for Islamic financial institutions, Islamic funds and Takaful operators to deploy their excess funds in a sharia compliant manner in the country. The sukuk is an important step in achieving this objective and also supports the government’s objective of developing the capital market in Oman”, says Mohammed Jawad bin Hassan, Adviser to the Ministry of Finance and Chairman of the Sukuk Committee.

In 2013 the CBO relaxed the rules on foreign investment for Islamic banks, thereby allowing many institutions to put a substantial amount of their capital to use outside Oman.

Other products that could eventually be deemed sharia compliant by Oman’s Central Bank include real estate and oil receivables, both of which are regularly used to back sharia compliant finance deals in other markets throughout the Gulf.

According to Fitch Ratings, despite high concentrations in Oman’s banking sector, Islamic banks will be able to make inroads because demand for sharia compliant products and services is growing in neighbouring countries, driven by religious preferences.

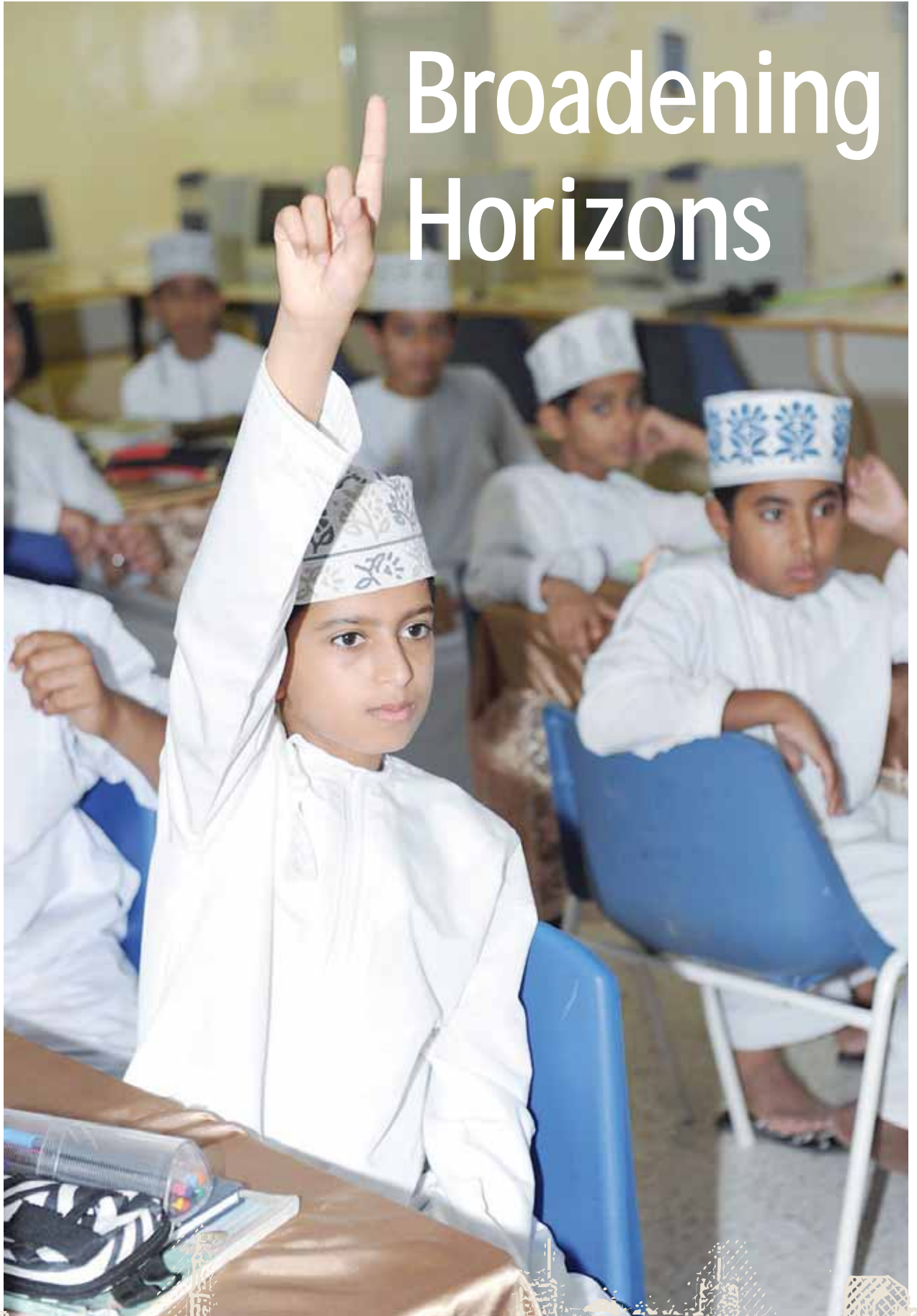
“Islamic banks are increasingly able to structure products that enable them to compete with those offered by conventional banks”, it adds.



Education



Broadening Horizons



Noticeable progress has been witnessed in the higher education sector in terms of quality and increase in the number of educational institutions as well as students.



As an essential pillar of sustainable development, education has been given top priority by His Majesty's government since the very beginning of the glorious Renaissance.

This aspect is reflected in the five-year plans, smoothening out the way for enlisting adequate financial support for elementary to higher education and studies to improve the sector. Consequently, noticeable progress has been witnessed in this sector in terms of increase in the number of educational institutions as well as students, variety in academic programmes, improvement in the policies and legislation.

The 7th five-year plan (2006-2010) and the 8th plan (2011-2015) of the Ministry of Higher Education were effective. Adding impetus to these efforts, the Sultanate started in 2012 a new phase of development by setting national objectives within sustainable development plan 2040.

Social stability was at the forefront of these plans which aimed to assure high living standards for each citizen, provide employment opportunities and training programmes, provide scientific and knowledge platforms as stated in His Majesty's speech during the Council of Oman session in 2012.

The Ministry of Higher Education works jointly with other departments to build an efficient education system and to achieve national goals: a system that is dynamic and interactive with society and market requirements.

Among the achievements in the last few years is the increasing number of students enrolled in higher education institutions. In the year 2013-2014, the number of undergraduates within the Sultanate and abroad reached 124,291 students compared to 72,117 in 2006-2007, which shows an increasing rate of 72 per cent. However, the number of undergraduates enrolled in local institutions was 117,804 students for the year 2013-2014, among whom 57 per cent are females. According to a report in 2010, female students in the Sultanate secured high grades in higher education that are comparable to those in countries like Singapore and South Korea.

Enrolment of students aged between 18



and 24 years grew to 35.2 per cent in the academic year 2013-2014 compared to 24.8 per cent in 2006-2007.

Subsequently, the number of higher education institutions rose to 57 in 2014 which included eight universities, 36 colleges and 13 specialised institutions. Government institutions accounted for 30 while the private owned 27.

As the country is keen on encouraging the private sector to invest in higher education, it has provided facilities for the sector. Moreover, it has also instituted internal scholarships for students of social security section.

Higher education in the private sector has witnessed significant progress which is reflected in the increase in the number of

establishments. There are 27 such institutions which offer higher education facilities to 51 per cent of the total students in the Sultanate.

Internal scholarships system, which was started in 2000-2001, aims to help social security students book their seats in higher education institutions by providing chances to study in private colleges and universities. At the same time, some private corporations finance a number of these internships for diploma holders. The number of such scholarships witnessed unprecedented growth after HM directives in 2011 to provide 7,000 internal scholarships. The number of new students jumped to 8,407 in 2015 compared to only 3,058 in 2011.

However, external internships require some conditions for diploma holders and



they face big competition annually. Their numbers increased to 1,500 each year to 14 different countries around the world. In 2013-2014, in all 1,263 students were sent for external internships compared to 231 students in 2011.

Disabled students also got their share in higher education. The ministry has offered same chances for internal and external scholarships to them. So, there were 65 disabled students enrolled in higher education establishments within the Sultanate and abroad in 2015.

The ministry makes great efforts to enhance quality and standards in higher education establishments, build abilities and hone expertise through training programmes and specialised seminars. It has also introduced rules and regulations that guarantee quality in the whole education system. For this purpose, all establishments affiliated to the ministry are obliged to establish internal system for ensuring quality on a par with international higher education entities.



CONTRIBUTING TO THE KNOWLEDGE WORLD

Research is the foundation of knowledge for a nation as it is an evidence based data that provide indicators not only to understand a nation but also to plan policies with future in mind. One of the main features of Oman's Renaissance has been the emphasis on education. But 2005 saw a major development in the area of research field with the establishment of The Research Council (TRC) by the Royal Decree No 54/2005.

TRC is a focal point for research and innovation in the country. The council coordinates with various institutions concerned with research in the country. It also functions as a policymaking institution and a funding agency.

At present, there are 25 researches going on in the category of Open Research Grant Environmental Biological Resources Sector. Three strategic programmes of TRC are Dubas bugs for dates, Red Tide and Food Safety and Quality.

In other words, TRC is an outcome of the development in research infrastructure and capacity building in the last 45 years.

"I think research and innovation are important pillars of development in Oman. The Research Council, with other institutions like Ministry of Higher Education, adds value and efforts. We have the national research strategy, which the Research Council is implanting and is helping other stake holders to boost research at different levels in schools, amongst undergraduate students, and professional researchers," said Dr Saud Hamous al Habsi, Director of Research Centres at The Research Council.

Prior to the establishment of the Research Council the situation was not ideal conditions for researchers.

"One of the challenges researchers faced in the past was funding. We are blessed that funding is not an issue anymore. We need work maybe more towards capacity building of the researchers. To ensure they have more free time to conduct their research, and dedicate research in areas that are important to the country in terms of economical



prospect. We also need Higher Education to be more focused and specific to fit into the research agenda."

Oman does have specific areas that are still waiting to be researched on. "When it comes to sustainable development, especially after the announcement of 17 goals of sustainable development there are several areas that are important to Oman. For example our programme on renewable energy — renewable energy has become hot topic in many countries and Oman is one of them that look at renewable energy as one of the focus streams for the coming generation. When it comes to environment issue, it is very important to ensure that our environment is clean, and is managed in a sustainable way, which will help the coming generation," Dr Al Habsi said.

So the potential to take up research is tremendous for the youth as they plan their higher education and career path. There are several research centres.

"We have some Ministries that have full research centres and have full researchers. The Ministry of Agriculture and Fisheries is an example as they have some research centres. Within The Research Council we have two research centres, one of them is Animal and Plant Genetic Centre and we have another Integrated Research Centre, which looks at advanced technology to bring three themes — water, oil and gas and renewable energy," explained Dr Al Habsi.

Dr Saud Hamous al Habsi

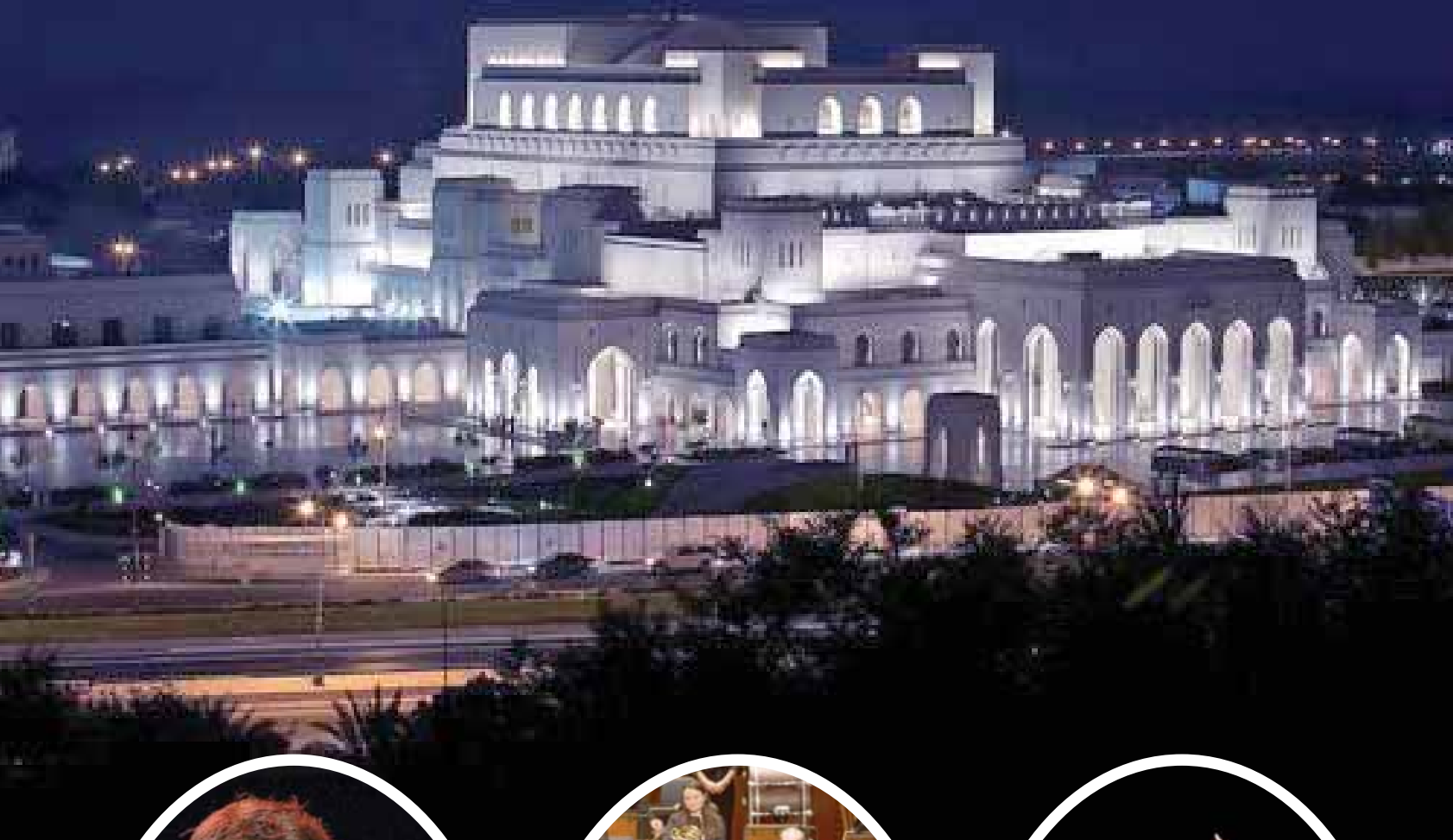
TRC is an outcome of the development in research infrastructure and capacity building in the last 45 years.

Culturescape



45

A Vibrant Scene



The Cultural Centre in Nizwa which was opened by His Highness Sayyid Haitham bin Tareq al Said, Minister of Heritage and Culture.



The cultural scene is one of the most dynamic sectors of life and is pivotal for all-round development in the Sultanate. Complementing the role of the sector, the Ministry of Heritage and Culture has intensively promoted and established the conditions for an appropriate cultural environment, including its human, material and moral aspects, with emphasis on the human factor which is the basis for and the means of achieving development.

In this regard, the situation of the cultural community in the Sultanate enjoyed considerable attention in the period of national revival in which various government units and bodies participated, working together in line with clear-cut strategies and plans, and guided the entire cultural community in all its branches (literary, artistic, scientific, vocational, educational, etc.)

The year 2015 has been full of many events and exhibitions, lectures and workshops in the field of art and culture.

A large number of international awards have been won by the arts societies in the country, either at the individual or collective level.

The annual exhibitions held by different societies and art bodies are the most noted activity that enriches the artistic scene in the Sultanate and serves the art and artists at different levels.

The Photography Society was established on July 9, 2012 based on Royal Order of His Majesty Sultan Qaboos, and the Diwan



The Ministry of Heritage and Culture has intensively promoted and established the conditions for an appropriate cultural environment, including its human, material and moral aspects, with emphasis on the human factor which is the basis for and the means of achieving development.

decision No 49/2012, as it was formerly called Photography Club since 1993. It is a member in the international Federation of Photographic Arts (FIAP) and the members of the Society participate in Biennales, Contest and Exhibition of Photographic Arts (FIAP).

The Photography Society has obtained the World Cup in Photography in FIAP 36th Youth Biennale hosted by the International Federation of Art Photography "FIAP" every two years. The Sultanate got the first place and two World Cups for "under 16-year-old and under 21-year-old" categories. The members of the Society have also received 754 individual awards in different competitions held inside the Sultanate.

The Society has obtained several international awards. It won the Photography Cup contest held for youth in Germany, bronze medal in Germany Photography Cup, gold medal in Austria International Photography Competition at the level of clubs and societies, gold medal in the 37th youth biennale for digital imaging (under 16) in Serbia, gold medal in the 37th youth biennale for digital imaging (under 21) in Serbia, honorary award at 28th FIAP biennale in Indonesia, honorary award at 26th FIAP biennale in Britain, and gold medal in the photography biennale in Egypt.

The Society held various activities during



Nizwa the Capital of Islamic Culture 2015

The Wilayat of Nizwa organised 'Nizwa Lifestyle Features forum, which coincided with the celebration of Nizwa the Capital of Islamic Culture 2015. The activities held in connection with the forum were held during November 3-6 in Nizwa Fort.

Civil and private institutions, traditional traders and craftsmen exhibited their wares that showcased the Omani heritage.

The exterior of the fort was decorated with Omani flags and pictures of His Majesty Sultan Qaboos. Inside the fort, the corridors were decorated with pictures showing the ancient monuments of Oman in general and the features of Nizwa in particular.





2015. The most important event was Dhofar Photography Forum in which 33 photographers participated with 60 photos in different aspects like nature, portraits, and life of people. The Society has held a number of summer courses for children and adults in Muscat and the most recent events were the photography exhibition 'Omani Women' and the 1st international exhibition for women photographers which received large numbers of visitors from within and outside the country. The Society has a number of events to be held in the coming months like Al Buraimi photography forum, some courses at schools, 'Oman in the eyes of ambassadors' exhibition, the 22nd annual photography exhibition which corresponds with the celebrations of the 45th National Day and many others.

The art exhibitions held by the Association of Fine Arts serve the field of art, the participants and the visitors.

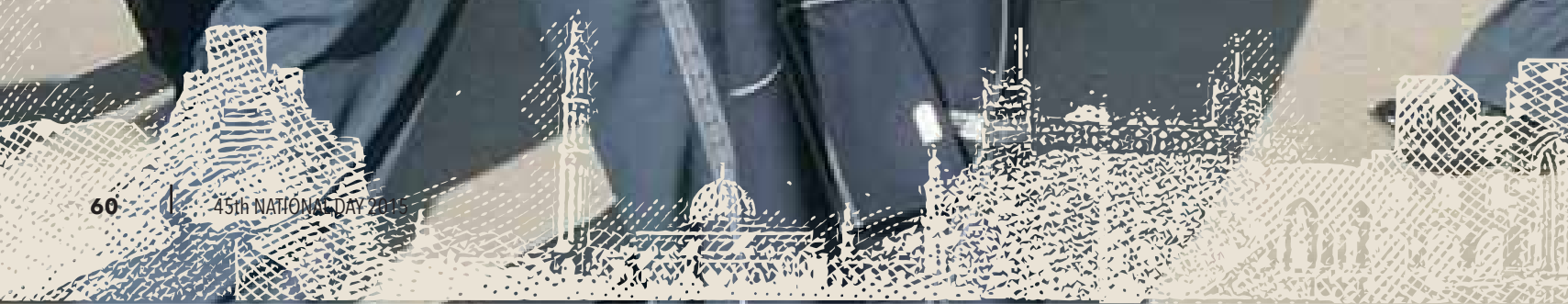
The association holds exhibitions in various fields like painting, photography, sculpture, ceramics, graphics (Rotogravure), computer graphic and media arts.

This year, the association held a number of events in its pursuit to develop the art scene in the Sultanate. It previously held the 19th fine art youth exhibition, the annual exhibition for calligraphy, the individual exhibition of artist Hamad al Selaimi, and the individual exhibition of Abullah Suwailem. The association is currently organising the National Day events which started with a campaign to collect 1970 pictures representing Oman and His Majesty. The events will conclude with an individual exhibition by artist Halima al Balushia.

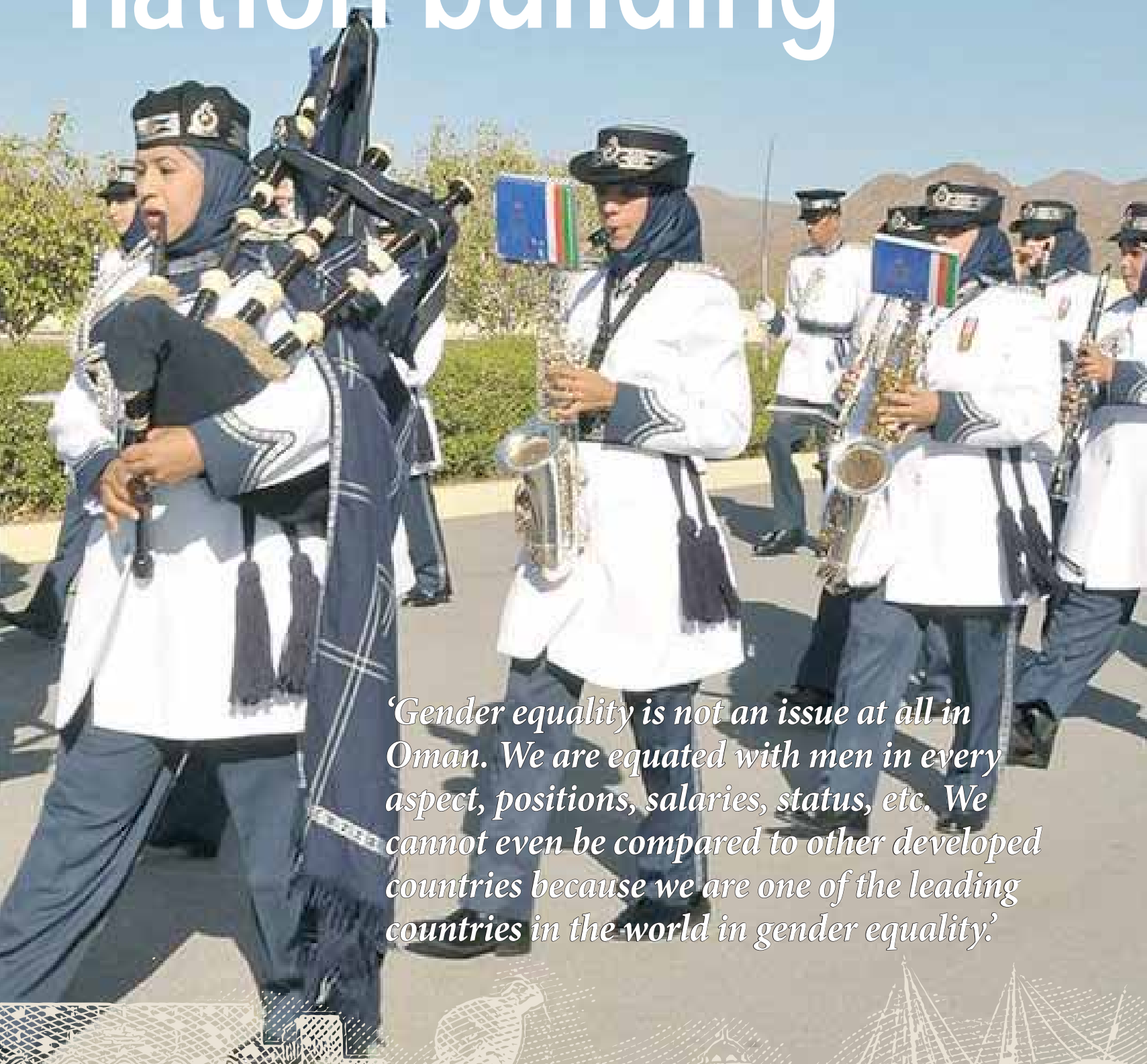


Women Empowerment





Equal partners in nation building



'Gender equality is not an issue at all in Oman. We are equated with men in every aspect, positions, salaries, status, etc. We cannot even be compared to other developed countries because we are one of the leading countries in the world in gender equality.'



His Majesty Sultan Qaboos has described women of Oman as one of the wings of the nation and the other wing being men. He expressed this view while inaugurating one of the Council of Oman sessions.

Honourable Members of the Council of Oman,

Dear Citizens,

“We have given our full attention, since the beginning of this era, to the participation of Omani women in the march of the Blessed Renaissance, so we have provided them with education, training and employment opportunities and supported their role and status in society. We have also stressed the need for their contribution in various development spheres. We have facilitated this through regulations and laws that guarantee their rights and explain their duties in order to be able to develop their inner abilities, expertise and skills to build their country and raise its status.

We are continuing on this path, God willing, as we are convinced that the country, in its blessed march, needs both men and women because no doubt it resembles the bird in relying on both of its wings to fly high in the horizons of the sky. How can this bird manage if one of its wings is broken?



Will it be able to fly?

In this regard we must refer to the Omani Women's Symposium which was held in Seeh Al Makarim in the Wilayat of Sohar. It came out with a number of recommendations that we blessed and ratified — which we think that you have followed — among which was the allocation of the 17th October each year as Omani Women's Day. This will highlight their achievements during the past year, shed light on their contributions to serving their community, spread proper awareness of their role and status and boost their aspirations towards the future. Here we would like to say a word to Omani women and call upon them to take advantage of all the opportunities being provided, in order to prove their capability and show their ability to overcome obstacles that might come their way.”

The years of Renaissance has marched on but the women of Oman were given equal importance with investment in health and education.





“It feels amazing to be an Omani woman, we are unique when it comes to being appreciated, and today we are leaders around the world, Ambassadors, Ministers, Under-Secretaries, entrepreneurs. It is amazing that this support doesn't only come from our government but from the men in our lives without whom we could not have made it today, our husbands, fathers and brothers are definitely a great support system for our development and for making our way to the top of the field we choose,” reflected Saba al Busiady.

Are there challenges Omani women need to overcome? Saba said that challenges are everywhere. “I believe they are all common challenges, being in a country that was dominated by men for a while is not an easy thing, because there are a lot of careers men think women can pursue. The other factor is going back to be a woman since we have responsibilities that we have to take care of such as being wives, mothers, daughters and sisters.”

According to a legal expert, after 45 years of Renaissance, the legal infrastructure is one of its kind with appropriate rights in regard to both genders. “I feel privileged to be an Omani woman as we are granted by His Majesty Sultan Qaboos a dedicated day not only to celebrate women and their achievements, but to review, brainstorm and to take decisions to promote Omani Women leadership in private sector and Board Directorship,” said legal expert known for her project Law and Life, Maimuna al Sulaimani.

Women have seen equal opportunities in education and career paths. However with the Majlis Ash'shura process women have not been able to make their mark. The Eighth Term Majlis Ash'shura elections saw 20 women stand for election, but only one woman was voted. Neemah al Busaidy won in her electorate, which was Seeb, with a strong margin. This is her second term, which is an indication that voters had been impressed with her contribution during her

first term in the Majlis Ash'shura.

Maimuna said, “In order to make such an important political and democratic achievement, we require fundamental milestones to be arrived at. Particularly, it is required to believe in engaging Omani women in the senior management of private sector. This can be accomplished via genuine diversity, by implementing corporate governance principles that mandate for best governance via appointment of qualified and relevant candidates to business. Professionalism and credentials should be the criterion for women's appointment. Once such reliability is created there will be more progress in the career growth.”

“In my opinion, women have been trying to participate in the Shura process, but unfortunately we have not been very lucky. Majlis Ash'shura has been usually dominated by men and I guess it just stayed that way socially as well, so whenever a woman is trying to participate in the process she fails because of lack of support. I also think that we as women don't support each other enough to raise our voice together. I truly believe that if we do stick together and support each other, women will definitely make an impact on Majlis Ash'shura participation.

Do women face any discrimination? This is what Maimuna has to say: “After 17 years in both private and government sectors, unfortunately fewer leadership figures are paying attention to genuine gender equality. Yet, many of the leaders I have encountered are people who back Omani talent in general and Omani women in particular. I am



hopeful that projects such as the National CEO programme and other Omani leadership formal initiatives will address the issue and ensure women are employed in adequate numbers in their organisations. In my view, talented Omanis and particularly women are assets that need to be managed well by both the leaders via a mandatory percentage of Omani women at the executive and board directorship levels. Also, Omani women themselves are required to take the lead in their career, apply self-realisation, strong ethics and professionalism.”

“I don’t think gender bias is an issue at all in Oman. We are equated with men in every aspect, positions, salaries, status, etc. We cannot even be compared to other developed countries because we are one of the leading countries in the world in gender equality,”

pointed out Saba.

The Renaissance March of Oman has reached a major landmark with the 45th anniversary. Today the Omani woman is equipped with education, career, legal rights and choices. Where she heads next will take the nation to the next level. As His Majesty referred to in the speech, both wings need to flap to fly high.



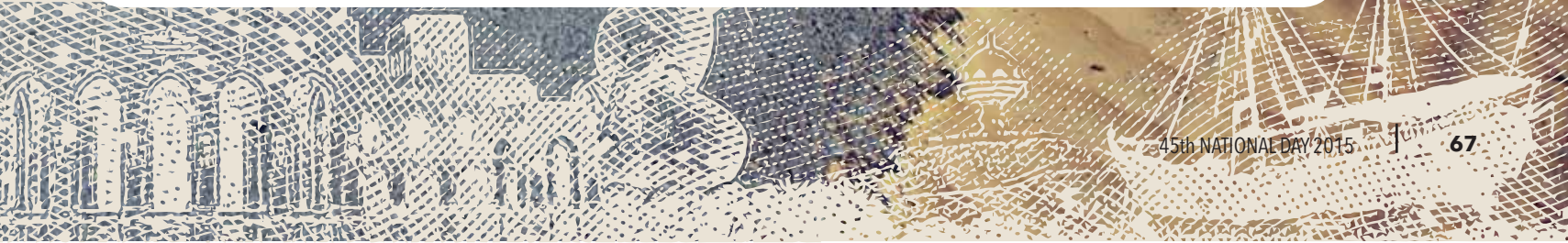
Edifice of Progress



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ROAD TO FUTURE

Oman has left no stones unturned to leave a good impression on any visitor to the country with its infrastructure



Anation's progress and development are generally measured on the tangible and visible infrastructure that it has put in place over the decades of its history. The transport infrastructure comes to the fore in this regard and Oman has left no stones unturned to leave a positive mark on any visitor to the country.

Development in the field of aviation has taken much of global and local attention over the years, results of which are expected to be realised in the coming years.

Oman's gateway in the south, Salalah has a new airport that was officially opened on November 15. This airport will have boarding bridges for the first time in Oman and a terminal building with the capacity to accommodate two million passengers annually that can be upgraded to handle up to 6 million in four phases of development. It has a gross floor area of 65,638 sqm and new runway specifications of 4,000m long x 60m wide, which can receive big aircraft, including the Airbus A380. The airport has exclusive Duty Free and lounge facilities, which were elusive to the old airport that served the city effectively for many years.

Muscat Airport development: Arguably the costliest airport to be undertaken in Modern Oman's history, though the project is slightly behind schedule, it has given Oman's aviation stature a major boost with the opening of the new Air Traffic Control (ATC) tower and a headquarter building for the Public Authority for Civil Aviation (PACA). It is expected to handle 12 million passengers annually on the completion of its first phase.

Sohar Airport was soft launched in 2014 and is now operational with scheduled flights of Oman Air. The third phase of construction will include a 5,600 sq m passenger terminal with a capacity of 500,000 passengers annually and a cargo terminal with an expandable capacity of 25,000 tonnes a year.

Second commercial airline:

The PACA recently reported that four companies are in the fray to set up the second commercial airline operator in Oman. Several foreign and local investors have taken keen interest in the project.

Roads

A portion of the Al Batinah Expressway — the Sultanate's first four-lane motorway — from Haban bridge to Barka, was thrown



SALALAH AIRPORT 'ONE OF THE BIGGEST ACCOMPLISHMENTS'

A GALA event marked the opening of Salalah Airport on November 11 in which a large number of dignitaries, ministers and senior government officials from different departments took part. The event was held under the auspices of His Highness Sayyid Shabib bin Taimur al Said, Advisor to HM the Sultan for Environmental Affairs. In his statement after the inauguration, HH Sayyid Shabib termed the inauguration of Salalah Airport as "one of the biggest accomplishments that has been achieved in the prosperous reign of His Majesty Sultan Qaboos."

"This edifice, which stands on this part of our dear country, is one of the new heights of development. It is a significant development in booming transport sector as well as it will contribute to the enhancement of the investment projects and stimulate economic and tourist movement," he said.



open to traffic this year. The 18-km stretch is a motorway without roundabouts or intersections. The entire Batinah Expressway project is expected to be ready in 2017. The total cost of the Al Batinah Expressway is about RO 1.5 billion and will include eight lanes, 75 interchanges and tunnels. The 270-km long road will have sub-roads of four lanes (about 250 km) that will connect the main road to the residential areas on the Al Batinah costal road; parallel to the project. It will also have weighing stations, pedestrian flyovers and rest houses. Once completed, the Expressway will be an eight-lane road linking Muscat, to the new Sohar Port and industrial area and on to the UAE border.

The 600-km road that links Oman directly to Saudi Arabia is expected to open soon and shorten distance by nearly 500 km. Called an engineering marvel, it is built through the moving sands of the vast Empty Quarter, the largest contiguous sand desert in the world, with an area of about 640,000 square kilometres. The project involved constructing sand bridges between high rising dunes, according to Famco, the Saudi contractor. About 130 million cubic metres of sand was transported to construct the bridges.

The government has also signed agreements worth over RO 200 million for the first phase of Adam-Thumrait dual carriageway (120.4 km) and service roads with a length of 20.35 km. These two phases of the project is expected to be ready in 2018. Agreements are in place also to complete the second phase of Adam-

Thumrait dual carriageway (119.7 km) and service roads with a length of 5.25 km.

The Ministry of Transport and Communications plans to introduce the Road Management System for proper and efficient maintenance of the major assets built by the Sultanate over the past four decades.

Ports

The second half of 2014 saw Sohar Port establishing itself not only as Oman's main commercial port, but also that of the region. The port's businesses have got a major boost with rapid development in the logistics and industrial sector at the Sohar Free Zone.

A new liquid material terminal is expected to add to the value to the existing services at the Salalah Port, while technical and maritime studies are under way to develop Muscat's Port Sultan Qaboos as a major tourism hub. The port is now used exclusively for tourism operations.

Oman Railway

Oman Rail has shortlisted three consortiums for the Segment One of the national rail network, which covers the 207-km stretch from Sohar Port to Buraimi. Oman Rail, which is developing the Sultanate's 2,135km eponymous railway network, received bids from eight groups for its operations and maintenance (O&M) contracts for the network's first phase. Oman Rail's Phase 1 spans 207km, from Buraimi on the UAE border to the country's Sohar Port.



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Smart Oman, Smarter Muscat

Oman and particularly the capital city of Muscat are getting smarter, may it be the smart buses, parks and other public places with free Wi-Fi, banking transactions through mobile or video calls to anywhere in the world anytime.

This can only get better. In the coming years, a majority of households in Muscat will be pampered with high-speed broadband for Internet Protocol Television (IPTV), online gaming, CCTV monitoring systems and other value-added services that symbolise a smart home or smart city. This was revealed to the *Observer* by Said al Mandhari, CEO, Oman Broadband Company (OBC).

“We are expecting to have some of these services from next year as we would have connected 60 per cent of the Muscat households with optic fibre broadband network for high-speed Internet by the end of 2016,” he said.

As per OBC estimates, around 80 per cent of Muscat and around 25 per cent of cities and towns outside the capital area will be covered by optic fibre, satellites and wire communications by late 2020.

On Internet penetration in Oman, Al

Mandhari said there has been too much dependency on the mobile bandwidth, which often leads to concerns of limited bandwidth. “The fixed broadband network, to begin with from Muscat, will help offloading some traffic from the mobile network and also give users high-speed Internet.”

He added, “The target is not just to increase Internet penetration but to also facilitate use advanced Smart City and Smart Home applications.” Starting from this year, OBC would have also started to layout the fibre optic cables in regions like Salalah and Musandam.

Al Mandhari admitted that there are challenges related to the population distribution and geographical nature, but we are determined to make our dream of having a Smart Oman come true. The Sultanate has seen a good development on the mobile network front, but has been slow on the growth of fixed broadband. This led the government to put forward a plan for more bandwidth that will make our cities and homes smart.

He said OBC has an agreement with ITA to develop an optic fibre network that will facilitate e-services in all headquarters of





government agencies and ministries in Muscat. Our aim is to complete this project within 12 months from the date of signing the agreement.

As a first step towards improving the public transport system in Muscat, Oman National Transport Company (ONTC) was rebranded as Mwasalat and supported by a fleet of new low-floor buses with most advanced features that will serve a few new routes as well as some of the existing areas.

The buses will wear a sporty Red colour with strong LED displays and will be one of the visible ambassadors for the capital Muscat in the years to come.

City will be home to at least two sprawling malls in the next few years and this will only add to the efforts to for a Smart Muscat... not to forget that the new Muscat airport will be one of the smartest gateways that Oman may have ever had.



Shabab Oman II visits GCC ports

In response to the Royal Orders of His Majesty Sultan Qaboos, the Supreme Commander of the Armed Forces, *Shabab Oman II* vessel sailed from Al Musannah for the GCC ports in its first journey titled (Cooperation Sail 2015).

Shabab Oman II vessel has been built as per world-class standards which makes it one among the best sailing boats in the world. The vessel is known for having unique characteristics in terms of length — 86 metres compared to 52 for 1st *Shabab Oman* vessel.





Congratulations to
**His Majesty
Sultan Qaboos bin Said**
and the people of Oman
on the occasion of the
45th National Day



الشركة الوطنية المتحدة للهندسة والمقاولات ع.م.م.
AL WATANYIAH UNITED ENGINEERING & CONTRACTING CO. LLC



Child well-being in Oman

‘Oman has an amazing journey for its own children and its people. In the last four decades Oman has dramatically transformed its economy, its society and its achievements. These achievements are really impressive.’

Osama Makkawi Khogali (pictured), Unicef Representative, says that it is time Oman shared the nation’s success story in regard to well-being of children.

“Oman has an amazing journey for its own children and its people. In the last four decades Oman has dramatically transformed its economy, its society and its achievements. These achievements are really impressive. I think it gives a sense of pride for the region. But I strongly feel that the success story needs to be better documented. The world deserves to learn this success — from an underdeveloped state to grow into a welfare state whether it is infrastructure or services that it provides to its children, women and men. It is high time the story is sent out,” said the Unicef Representative.

The success story is multi-dimensional, pointed out Khogali. “If we look at the movement of the indicators in the health



sector the infant mortality rates, the under-five mortality rates have impressively reduced. Today we are speaking about 2011 when the infant mortality rate and under-five were 12 and 10 per 1,000 live births. This is just a fraction of what is the average in the Middle East and North Africa and other countries. This is estimated to be at the same level of estimation for the United States and



a success story



other OECD countries. It is an amazing success in a record time.”

Children’s education is another area that stands out as another success story, said the official from the UN. In the early 70s only 5 per cent of the boys and 1 per cent of girls had access to schools for primary education.

“Today we are talking about universal access to primary school for both boys and girls. Secondary school has 88 per cent of girls and 80 per cent of boys enrolled. The story is long. I think we need to study this achievement and put an honest assessment of the success to share with others for them to learn and benefit from Oman’s experience,” said Khogali.

There are challenges, however, and that is the ever-evolving society and global changes.

“There are certain indicators that have not moved as fast as Oman would have wanted to. The rapid growth has presented a new set of challenges. At the micro level the challenge of the global energy market will pose a challenge on Oman’s petro economy. I think we are seeing rapid changes in demography, globalisation forces, urbanisation and change in woman’s role and status in Oman. There is a whole new generation of youth and children that have new expectations.

“I think the new commitment to the sustainable development goals and Oman’s commitment to key human rights all lead us to look at how social policies and development will be looked upon in the future. Oman’s social development role would be very different from what it is today.”

Jubilation and Loyalty Marches Across the Nation

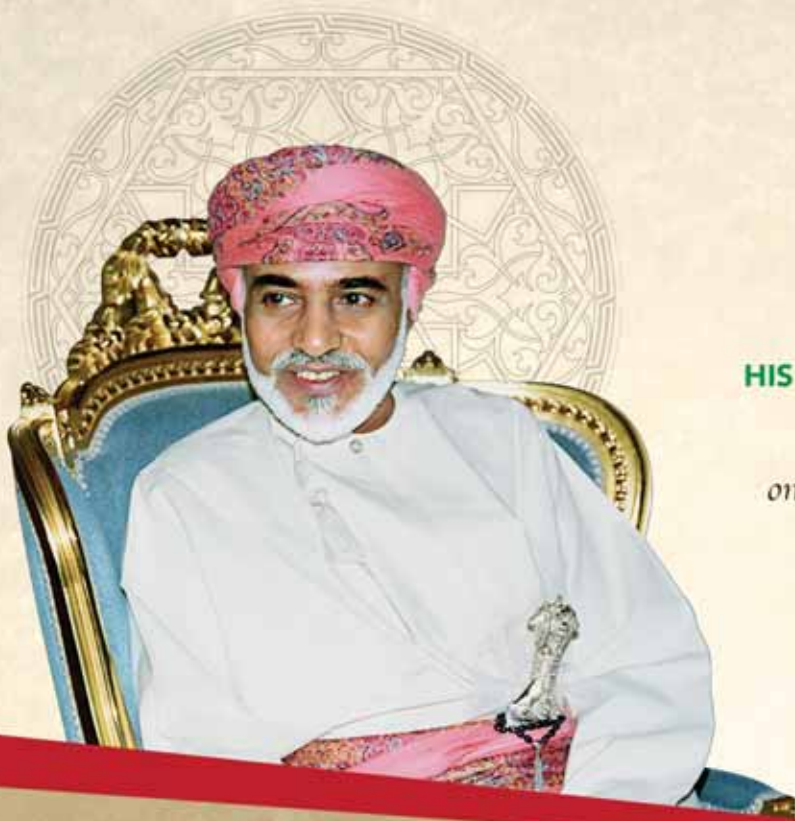
The Sultanate's wilayats in various governorates have organised marches of loyalty and gratitude to His Majesty Sultan Qaboos on the occasion of the 45th National Day. Participants carried pictures of His Majesty and the Sultanate's flags.





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Congratulations to
HIS MAJESTY SULTAN QABOOS BIN SAID
and the people of Oman
on the occasion of the 45th National Day



GLORIOUS OMAN

The unending
voyage of
progress

Under the wise and visionary leadership of His Majesty Sultan Qaboos bin Said, Oman has emerged as a role model of progress and sustainable development. Oman today is a dynamic, progressive nation with an enviable track record of social achievements and economic growth. Its state-of-the-art infrastructure and facilities – highways, ports, hospitals, educational institutes and telecommunications network – are a source of tremendous pride. Oman's friendly relations with other nations in the region and around the world, is yet another tribute to His Majesty's exceptional leadership and statesmanship.

On the momentous occasion of the 45th National Day, Saud Bahwan Group salutes the vision of His Majesty Sultan Qaboos bin Said and congratulates the people of Oman.



SAUD BAHWAN Group