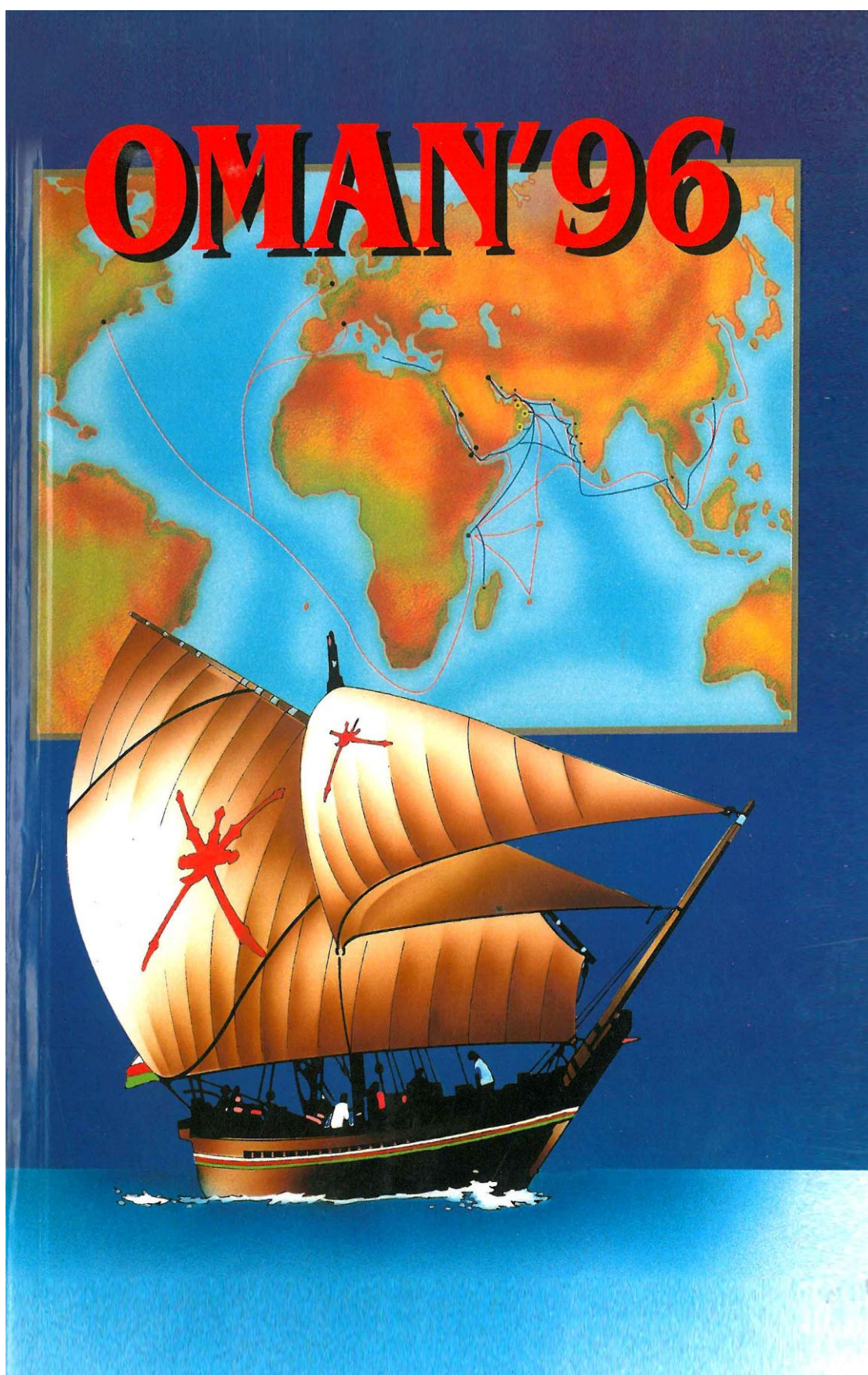
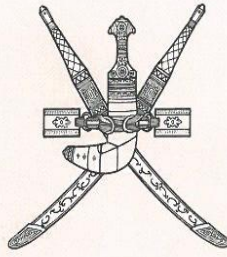


OMAN'96





Sultanate of Oman
Ministry of Information

OMAN'96

The Oman Information Handbook has been published annually since 1979. In addition to the Arabic and English editions, it is translated into French, German, Spanish, Italian and Japanese and distributed through the Ministry's information offices and representatives in Egypt, France, Belgium, Holland, Germany, Switzerland, Austria, Italy, Spain, Portugal, Eastern Europe, Singapore, Hong Kong, Malaysia, Thailand, Indonesia, the Philippines, Japan, Britain, the USA and Canada.

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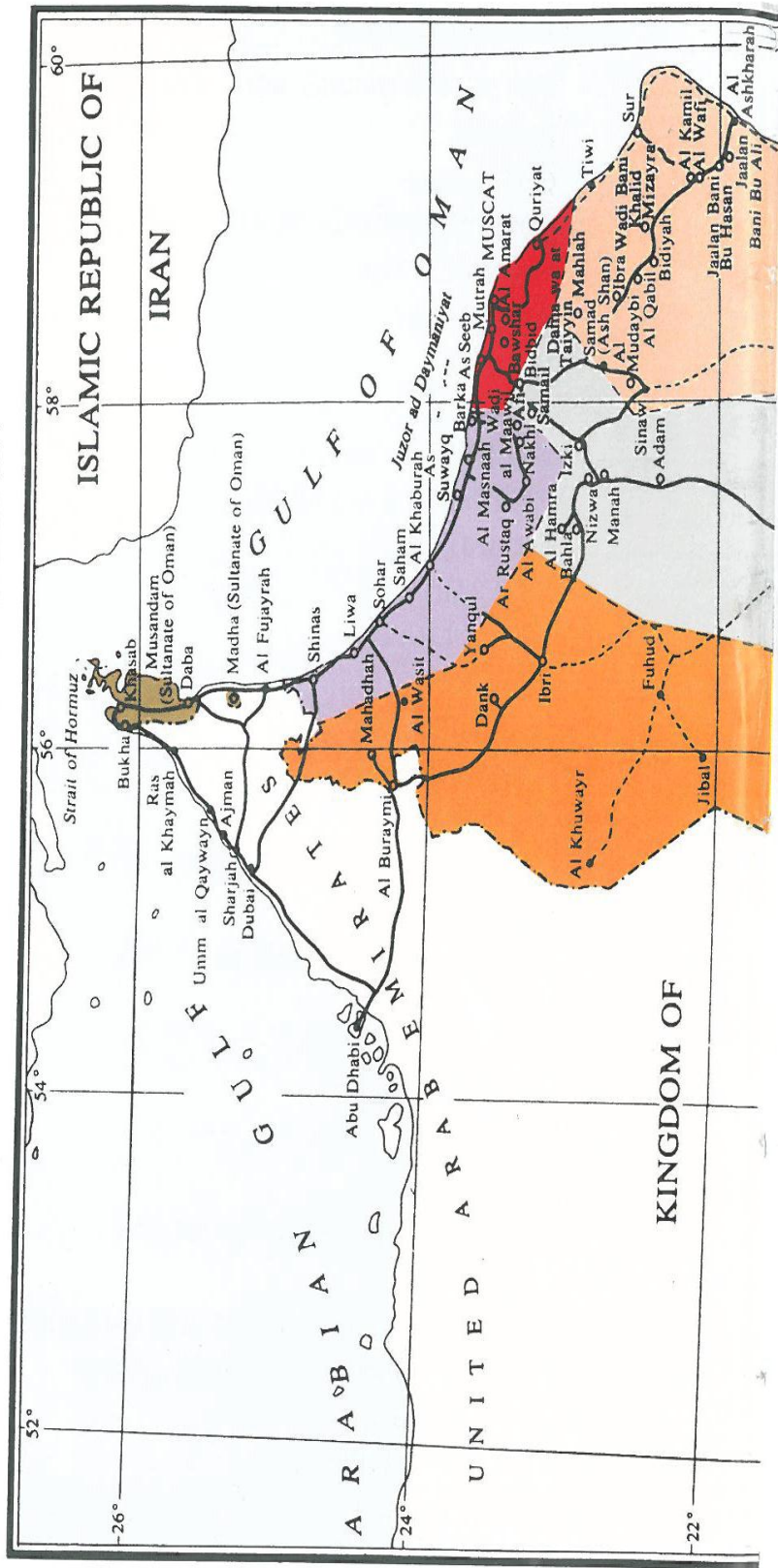


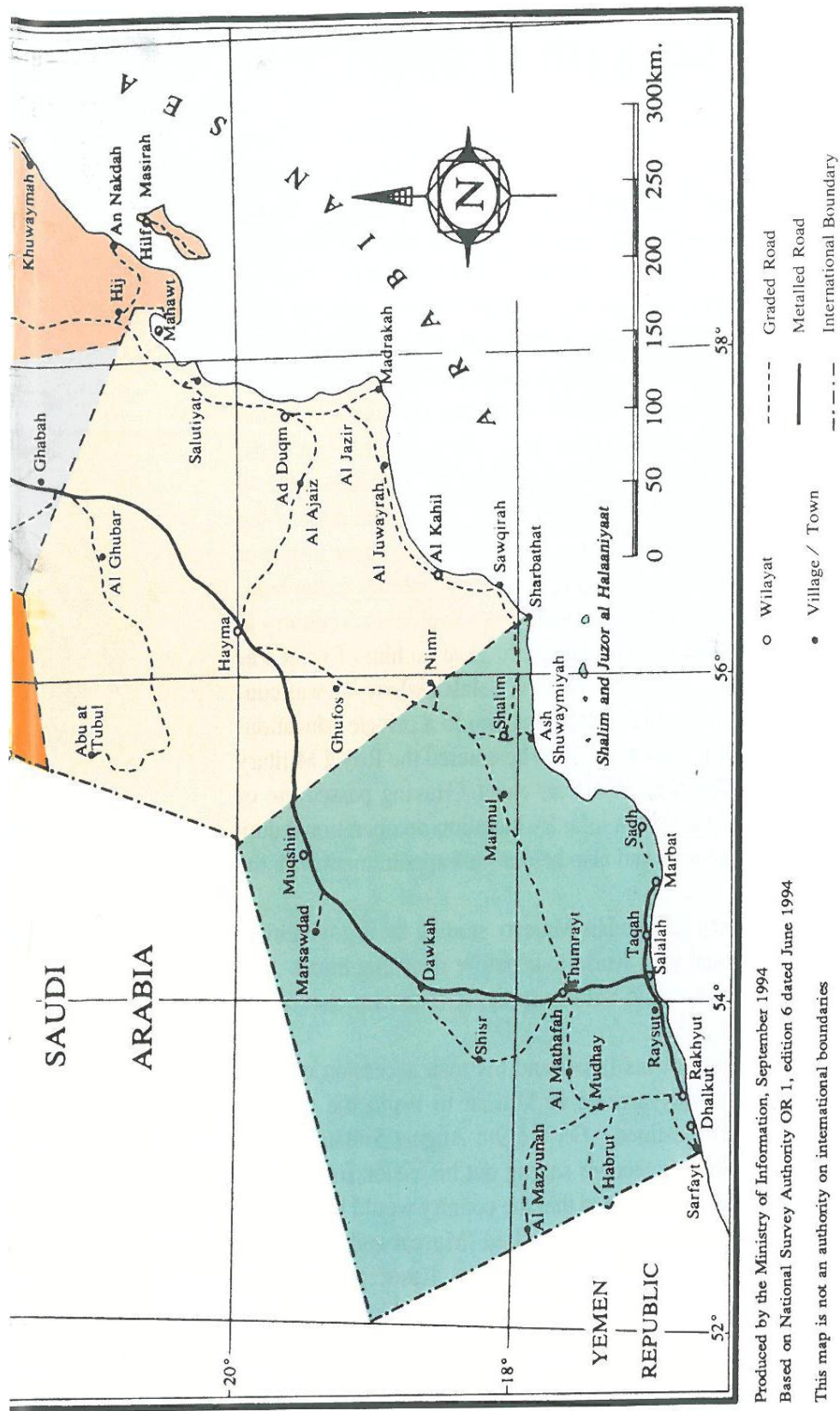
H.M. Sultan Qaboos bin Said

CONTENTS

H.M. SULTAN QABOOS BIN SAID AL SAID	8
HISTORY	20
GEOGRAPHY	26
GOVERNMENT AND LEGAL AFFAIRS	34
FOREIGN AFFAIRS	40
INFORMATION	52
DEFENCE	60
ROYAL OMAN POLICE	69
NATIONAL ECONOMY AND DEVELOPMENT	74
COMMERCE AND INDUSTRY	86
OIL AND GAS	99
MINERALS	105
AGRICULTURE	107
FISHERIES	114
WATER RESOURCES	120
DOMESTIC WATER	123
ELECTRICITY	126
SOCIAL AFFAIRS AND LABOUR	129
COMMUNICATIONS	135
POSTS AND TELECOMMUNICATIONS	143
EDUCATION	150
HIGHER EDUCATION	155
YOUTH	159
HEALTH	166
HOUSING	172
NATIONAL HERITAGE AND CULTURE	176
INTERIOR	182
REGIONAL MUNICIPALITIES AND ENVIRONMENT	184
JUSTICE, AWQAF AND ISLAMIC AFFAIRS	193
CIVIL SERVICE	198
VOCATIONAL TRAINING	201
OMAN IN BRIEF	205

SULTANATE OF OMAN





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 Based on National Survey Authority OR 1, edition 6 dated June 1994
 This map is not an authority on international boundaries

HIS MAJESTY SULTAN QABOOS BIN SAID AL SAID

On the 18th of November 1995 Oman celebrated the Silver Jubilee of His Majesty Sultan Qaboos bin Said. The past twenty-five years have seen outstanding achievements in progress and development in all parts of the Sultanate. These changes were possible due to the inspiration and dedicated leadership of His Majesty, without which such a fundamental transformation would not have been possible. In 1970 nobody could have imagined that so much would be accomplished in so short a space of time.

His Majesty was born in Salalah in Dhofar, the southern region of Oman, on the 18th of November 1940. He is the only son of the late Sultan Said bin Taimur and is eighth in the direct line of the Al Busaidi dynasty, which was founded in 1744 by Imam Ahmad bin Said, who was a leader of outstanding ability and came to power after a period of civil war, bringing peace and stability to the land.

Like his famous ancestor Sultan Qaboos took over a country in stagnation and conflict; but his early life gave no hint of what was to come. His Majesty spent his youth in Salalah where he was educated. At the age of 16, his father sent him to a private educational establishment in England. In 1960 he entered the Royal Military Academy at Sandhurst as an officer cadet. Having passed out of Sandhurst he joined a British infantry battalion on operational duty in Germany for one year and also held a staff appointment with the British Army.

After his military service His Majesty studied local government in England and went on a world tour before returning home. The next six years were spent in Salalah studying Islam and the history of his country and people.

On the abdication of his father and his own accession on 23rd July 1970, His Majesty arrived in Muscat to begin the task for which he had been destined. On the 9th August Sultan Qaboos made the first of many speeches setting out his vision for the people and the country. He declared that the country would have a new flag and that it would no longer be called 'Muscat and Oman' but unified with Dhofar as the Sultanate of Oman. Restrictions on freedom of movement were lifted and Omanis who had left the country were invited to return to take part in the challenge that lay ahead.



▲ His Majesty, driving his own car, receives a rapturous welcome from his people.

Stability & Development

Due to the complete absence of infrastructure the task facing His Majesty was a formidable one. Although Oman had received oil revenues for three years, very little development had been implemented. Not only was the country extremely backward in health, education, housing and communications, but to add to these difficulties a full scale local war was being fought in Dhofar against a communist insurgency, with a small, inadequately equipped army. In the succeeding years, and with the support of his people, His Majesty overcame the wide range of formidable problems that faced him. Today, Oman has become an oasis of prosperity and stability in a troubled world.

International Relations

In 1970, Oman had been isolated from the rest of the world for far too long and it was now essential to open up the country and develop proper international relations which had been almost non-existent. From the time of his accession, His Majesty's foreign policy has always been to extend the hand of friendship to all countries





▲ The people of Saham celebrate the Eid al-Adha, in the presence of His Majesty.

◀ H.M. greets a handicapped child during a recent tour to meet his people.

on the basis of non-interference in each other's internal affairs, mutual respect, peaceful co-existence and good neighbourliness.

Meeting the People

His Majesty attaches great importance to meeting his people and, every year, he makes a point of travelling to a particular area of the country to see for himself what must be done and what the needs of his people are, who thus have direct access to their Sultan and can discuss their problems personally with him. There is always a massive turnout of people whenever His Majesty is due to visit a particular town or area. People of all age groups and walks of life spontaneously celebrate with music and dance their joy and happiness at his arrival.

Over the past twenty-five years His Majesty has extended great personal care to his people and to humanitarian causes. He has given financial assistance to worthy causes both outside and within Oman. It was His Majesty who made the first contribution to the Omani Organisation for Charitable Works which was established by Royal Decree at the beginning of the year. He has always shown particular concern for those in society who are disadvantaged. Last

year His Majesty made a personal donation of RO 1.5 million to 42,047 families on social security, and to coincide with National Day he donated a kidney stone dispersal machine to the Ministry of Health. His Majesty has greatly helped young people to lead a happy and fruitful life. When the new under-17 soccer team won the Qatar International Tournament in September last year they and other successful teams were rewarded for their achievements.

Royal Amnesty

In early November last year His Majesty ordered an amnesty for all those prisoners who had been convicted of involvement in illegal activities and organisations. Pardon was also granted to the members of such groups who had remained abroad in exile. This was a magnanimous gesture, particularly to the families of those concerned, which was well received and is typical of the way in which His Majesty has won the hearts of his people by showing tolerance and forgiveness.

Many world leaders and statesmen have praised the qualities of His Majesty; his dedication to his country and to his people; his commitment and unswerving determination to achieve progress and development; his role on the world stage and his patriotic and humanitarian feelings. In a speech made to young officers at a passing-out parade, His Majesty said of his own military training:-

“I know that the values that I absorbed have remained with me forever afterwards. I learned that discipline is not just something one imposes on others: it is something that one has, above all, to apply to oneself if one is to be a worthy leader of men. I learned also the true meaning of service: that it is to give and not to expect to receive: that it is the team and not oneself that matters. I learned that with responsibility comes obligation”.

Silver Jubilee Celebrations

Celebrations in honour of His Majesty were held both spontaneously and officially throughout the country during November last year with all kinds of festivities, illuminations, decorations, programmes and parades too numerous to mention. The major events presided over by His Majesty were dazzling displays of pageantry and patriotism. His Majesty gave his National Day speech to the Nation in which he praised the achievements of his people. At the

► His people's welfare is of personal concern to His Majesty, who regularly discusses their problems and needs with them



Sultan Qaboos Sports Complex in Bausher, 25,000 school children took part in a colourful song and dance display. The adults too paraded at the stadium in al-Wattayah to demonstrate their loyalty and allegiance to His Majesty by chanting poems and performing traditional dances and songs. The celebrations would not have been complete without the Armed Forces who gave a highly disciplined as well as colourful display of their skills and dedication to their leader. The military tattoo in which all units of the Armed Forces were represented was particularly impressive. The year ended with His Majesty presiding over the Royal Horse Show which in addition to equestrian events featured the Royal Oman Symphony Orchestra and a fireworks display.

This year's celebrations will be in a lower key but will point the way to Oman's future and vision for the economy and national development to the year 2020. The 26th National Day is being held at Sur which will be the focus for major industrial and commercial expansion in the years to come.

Historic Speech

His Majesty delivered a landmark speech on the 25th National Day, praising the contribution made by his countrymen in building the nation and urging them to greater achievements in the years to come.

"Countrymen,

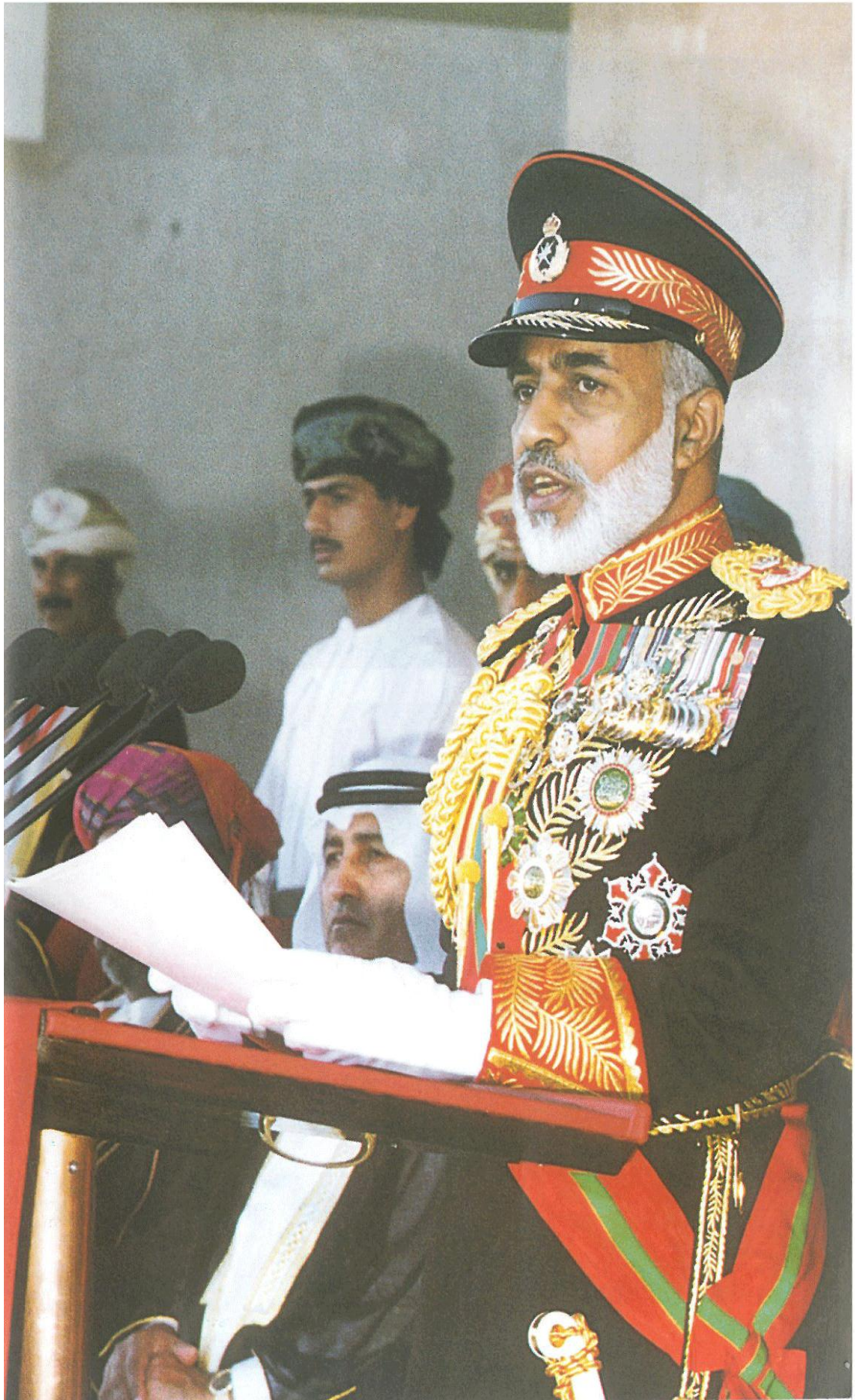
You have all played your part in the making of this new chapter in Oman's history. Everyone has made his own contribution, according to his ability, in building this structure for our future.'

Referring to the new era of Oman's development, His Majesty said:-

"This phase will be full of the highest expectations, but contain great challenges which will require from you unflagging determination, strong arms and clear minds. This phase will call for intensive work, effort and sacrifice for your country."

His Majesty stressed the importance of economic diversification and the role of the private sector, calling upon all citizens to save, invest, pursue business, develop tourism, industry and agriculture."

► His Majesty
making his
National Day
speech in 1995







◀ HRH Prince Charles of the United Kingdom is welcomed to Oman by His Majesty

◀ His Majesty gives an official audience to Chairman Yasser Arafat, Palestinian Leader

▲ His Majesty in animated conversation with His Majesty King Hussein of Jordan during the latter's visit this year.

In his speech, His Majesty placed great emphasis on the development of human resources as the way forward for the Omani people, stressing, in particular, the importance of general and technological education: "so that our Omani people can further equip themselves so as to undertake tasks greater than in the past".

Domestic & International Policies

At the beginning of the year, with the introduction of the new Five-Year Plan, His Majesty reiterated the need for concerted effort by all concerned to plan and implement a new phase in the country's development. During the conference on Oman's economy to the year 2020 in June last year, His Majesty had urged the private sector to play an active role in the diversification of the economy in order to create new wealth and jobs for the Omani people. He has stressed the need for human and social development with particular reference to the education and training of the young. His Majesty has encouraged the democratic process through the Majlis al-Shura and given great emphasis to the advancement of women in all spheres of the country's life.



For any leader today there is always the problem of combining progress with conservatism. His Majesty has successfully maintained a delicate balance between preserving the traditions and religion of his country and introducing the modernisation needed to keep pace with the changes taking place in the rest of the world.

Peace in the Middle East

His Majesty has spoken out strongly against terrorism and fanaticism. He has stressed his belief that international disputes must be settled through negotiation and not conflict. His mediation, when invited to do so, has earned him the respect of the world community. His Majesty was the only Arab leader who supported the late President Anwar Sadat's mission to Israel, which led to the Camp David peace accord, and has consistently urged forward the peace process in the Middle East. His Majesty regards the achievement of a comprehensive and lasting peace in the region as being of the highest priority, and has worked tirelessly to this end. He has expressed his deep concern for the situation of Palestinians in the West Bank and Gaza.

◀ His Majesty the Sultan presides over a full meeting of his Cabinet of Ministers, held in Salalah.

Distinguished Visitors

The 16th Arab Gulf Cooperation Council Summit was held at the al-Bustan Palace Hotel in Muscat in December last year at which His Majesty welcomed his fellow Gulf leaders to Oman. On the occasion of the conference on the "Vision for Oman's Economy 2020" in June last year, His Majesty welcomed the leading foreign participants. In August His Majesty King Hussein of Jordan visited Oman and in October 1995, His Majesty received HRH Prince Charles and the delegation accompanying him. In December last year and in May this year His Majesty received the Palestinian leader, Chairman Yasser Arafat. His Majesty also received the Israeli Prime Minister, Shimon Peres in April this year.

◀ His Majesty receives United States Defence Secretary William Perry and Her Excellency Miss Frances Cook, recently appointed American Ambassador to the Sultanate.

In January this year, His Majesty gave an audience to US Defence Secretary William Perry and in March former US President George Bush was a visitor to Oman. In April His Majesty received Nicholas Soames, Britain's Minister of State for the Armed Forces and Air Chief Marshal Mohammed Abbas Khattak, Chief of Staff of the Pakistan Air Force. South African Vice-President F.W. de Klerk paid a five-day official visit to the Sultanate in April at the head of a trade delegation.

HISTORY

Little is known about Oman's pre-Islamic past but it is clear from recent archaeological discoveries and research that early civilisations existed at least 5000 years ago.

Sumerian tablets refer to a country named "Magan" as a source of copper. It seems certain that they referred to Oman. Evidence from excavations near Sohar shows that the copper mining and smelting industry was well developed by the year 2000 BC.

Frankincense from Dhofar, which was so important in the social and religious life of ancient peoples also provides evidence of the existence of an early trading community. It is also clear that there were farming and fishing settlements from the earliest times.

The ancestors of present day Omanis are believed to have arrived in two waves of migration over a number of years, the first from the Yemen and the second from northern Arabia at a time when various parts of the country were occupied by the Persians.

The Coming of Islam and the Early Imamate

The call of the Prophet Mohammed to the Omanis to become Muslims altered the course of their history. It was in about 630 AD that Amr Ibn al-As arrived in Oman bearing a letter from the Prophet to Abd and Jaifar, the two sons of al-Julanda, who ruled Oman jointly. Having embraced Islam, they were instrumental in defeating the Persians.

The early Imamate in Oman arose out of a vision to create the true and ideal Muslim state. The first Ibadhi Imam, Julanda bin Mas'ud, was elected in 751 AD but he died in battle and it was not until 801 AD after a period of turmoil that Warith bin Kaab was elected. There then followed a period of peace, stability and prosperity lasting more than three hundred years.

Maritime trade flourished and Sohar became the greatest sea port in the Islamic world. As they travelled and traded, the Omanis spread the message of Islam, as well as Arab culture and language, reaching as far east as China.

Portuguese Occupation

In the early 16th century after the Portuguese under Vasco de Gama had discovered the sea route round the Cape of Good Hope



▲ The 'Fateh al-Khair', a dhow of the Ghanjah type which traded between Oman, Yemen and the East African coast. It is 50 years old and is now an exhibit on dry land in Sur.

►► A view of Nizwa, the ancient and historic city.

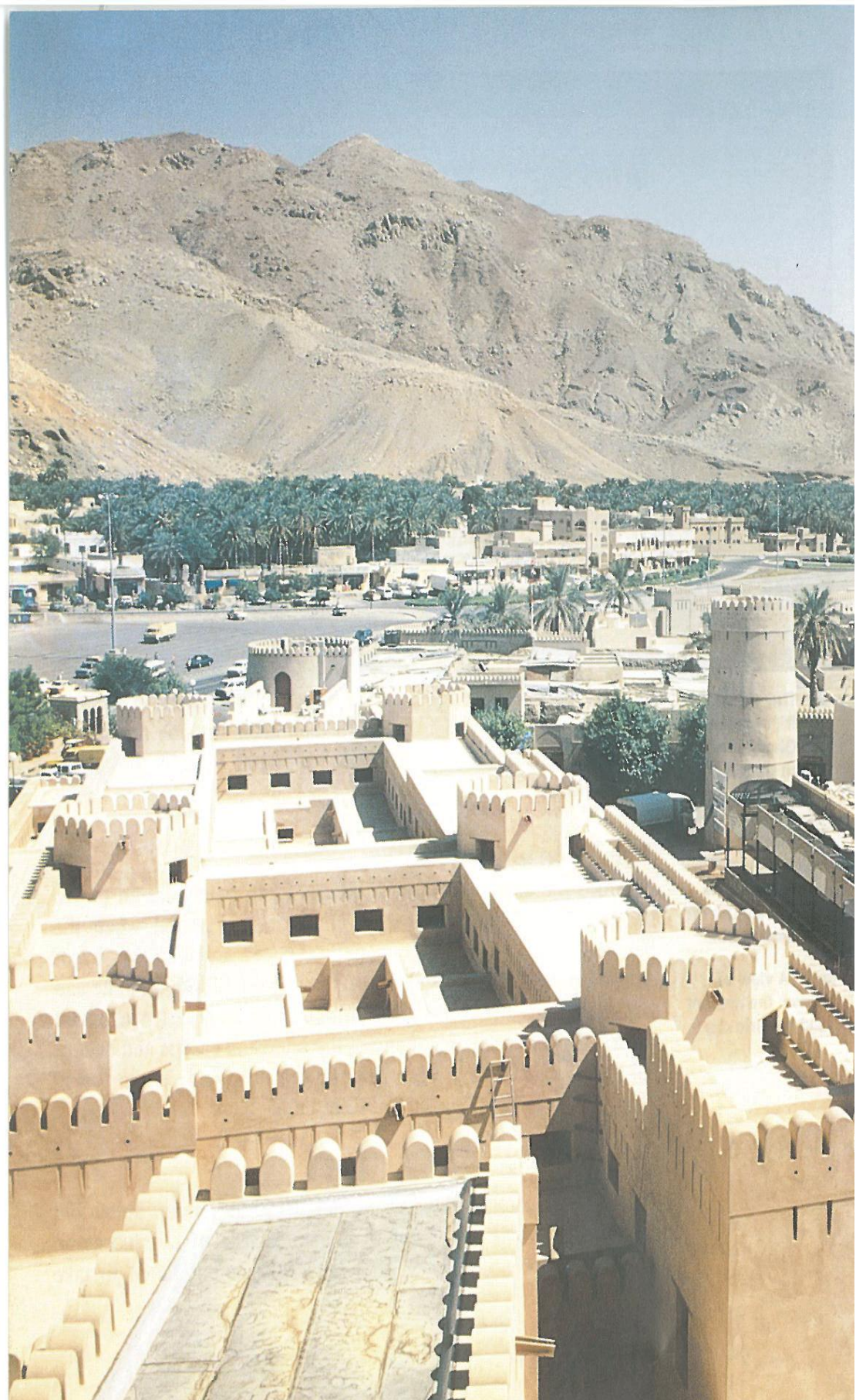
to India, they occupied Muscat for a century and a half in order to dominate the trade which had until then been an Arab monopoly. The Portuguese were expelled from Muscat in 1650 by Sultan bin Saif al-Yarubi.

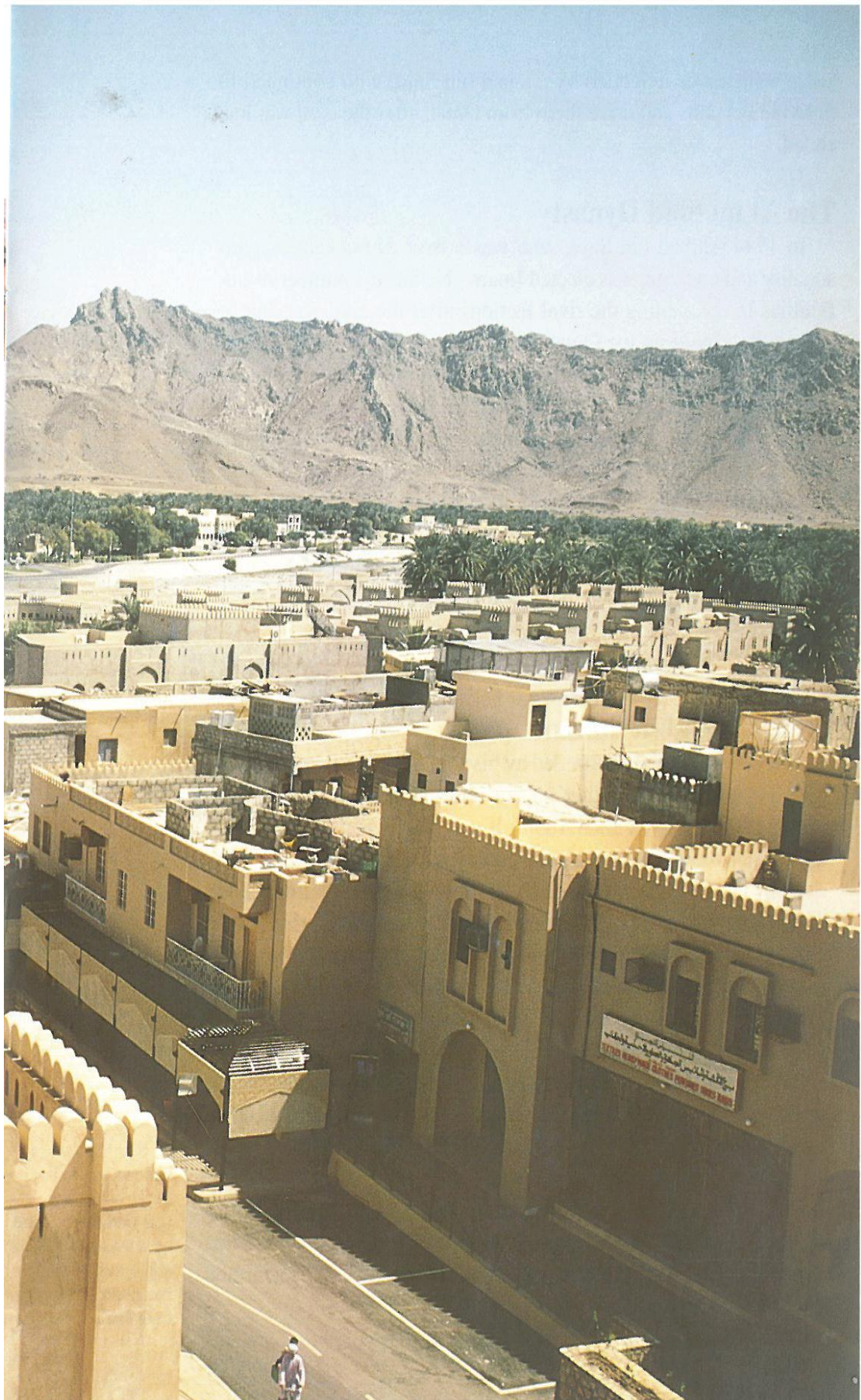
The Ya'aruba Dynasty

Since the expulsion of the Portuguese no other foreign power has ever occupied Oman, apart from a brief period when the Persians made a partial occupation. The Ya'aruba Imams introduced a period of renaissance in Omani fortunes both at home and abroad, uniting the country and bringing prosperity. It was under the Ya'aruba dynasty that many of the imposing castles and beautiful buildings that have been restored recently, such as the fort at Nizwa and the Palace at Jabrin, were built.

Civil War

Unfortunately, on the death in 1718 of the Imam, Sultan bin Saif II, civil war broke out over the election of his successor. Persian troops occupied Muttrah and Muscat but failed to take





Sohar which was defended by Ahmad bin Said, who continued to fight the Persians and drive them from Oman after the civil war had ended.

The Al bu Said Dynasty

In 1744 Ahmad bin Said, who was a man of outstanding personality and courage, was elected Imam. He faced a number of difficulties in reconciling the rival factions after the civil war, but he managed to build up the Omani navy into a power to be reckoned with, personally leading expeditions against pirates and driving the Persians out of Basra. When he died in 1783, his son Said was elected Imam but he was not popular, being replaced by his son Hamad, who had been de facto ruler in Muscat while his father remained in Rostaq. Hamad died suddenly in 1792 and his uncle, Sayyid Sultan bin Ahmed, assumed power until his death in 1804. He had exercised such tight control over Oman and trade in the Gulf that European powers dealt with him as the effective ruler of the country.

Sayyid Said bin Sultan

Sayyid Sultan was succeeded by his son, Sayyid Said bin Sultan, who consolidated his father's achievements at home and abroad during his reign from 1804-1856. It was in this period that Oman reached its zenith as a regional power with possessions on both sides of the Gulf and in East Africa. Sayyid Said concentrated on developing his country's economy and commerce. He made Zanzibar his second capital and concluded agreements with the European powers, as well as sending a special envoy to the United States, making Oman the first Arab state to establish diplomatic relations with that country.

Thereafter, however, there followed a period of decline and, at the time of the First World War, Oman's share of international commercial activities was very limited. Indeed, Oman remained largely isolated from the rest of the world until, in 1970, His Majesty Sultan Qaboos came to power. His Majesty's reign was the beginning of a bright new era that renewed Oman's historic glories and opened a new chapter of development, prosperity and social and economic progress.

► Bibi Maryam, a famous figure in Oman's history, was commemorated by a Mosque, which still stands among the ruins of the city of Qalhat.



GEOGRAPHY

The Sultanate of Oman occupies the South-Eastern corner of the Arabian Peninsula and is located between Latitudes 16° 40' and 26° 20' North and Longitudes 51° 50' and 59° 40' East. The coastline extends 1,700 kilometres from the Strait of Hormuz in the North to the borders of the Republic of Yemen and overlooks three seas - the Arabian Gulf, Gulf of Oman and the Arabian Sea.

The Sultanate of Oman borders Saudi Arabia and the United Arab Emirates in the West; the Republic of Yemen in the South; the Strait of Hormuz in the North and the Arabian Sea in the East.

The total land area is approximately 312,500 sq. kms. and it is the third largest country in the Arabian Peninsula.

Topography

The Sultanate of Oman has a variety of topographical features consisting of plains, wadis and mountains. The most important area is the coastal plain which represents about 3% of the total land area. The mountain ranges occupy about 15%. The Hajar range runs from Musandam in the North to Ras al-Hadd, the extreme limit of the Arabian Peninsula. In the South, the Qara range attracts the monsoon, which brings unique weather conditions and creates a special environment in Dhofar. The remaining area which occupies 82% of the country is mainly sand and gravel desert and includes part of the Empty Quarter.

Climate

The climate differs from one area to another. It is hot and humid in the coastal areas in summer; while it is hot and dry in the Interior with the exception of the higher mountains, which enjoy a moderate climate throughout the year. Rainfall is generally light and irregular; although heavy rains and thunderstorms can cause severe flooding. In the South the Dhofar region has a moderate climate and the pattern of rainfall is more predictable with heavy monsoon rains occurring regularly between May and September.



▲ The source of a falaj, Oman's ancient system of irrigation.

►► A view of the al-Sarooj and Shati al-Qurm area.

Muscat

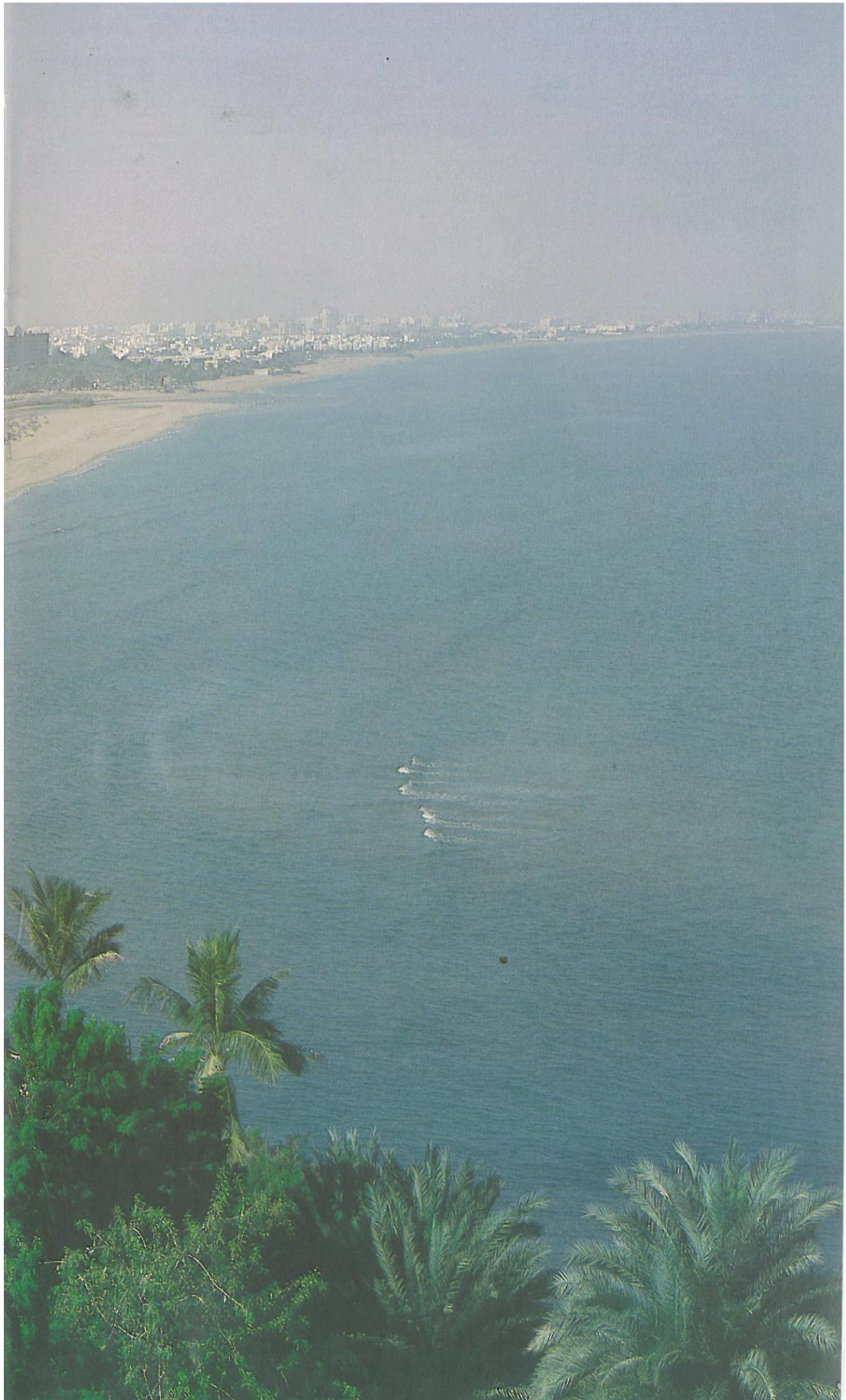
The Capital area now extends from the town of Seeb in the North to the fishing port of Quriyat in the South. With its commercial centres, industrial areas, Government offices, foreign embassies and hotels, the Governorate of Muscat is the most densely populated and developed part of Oman.

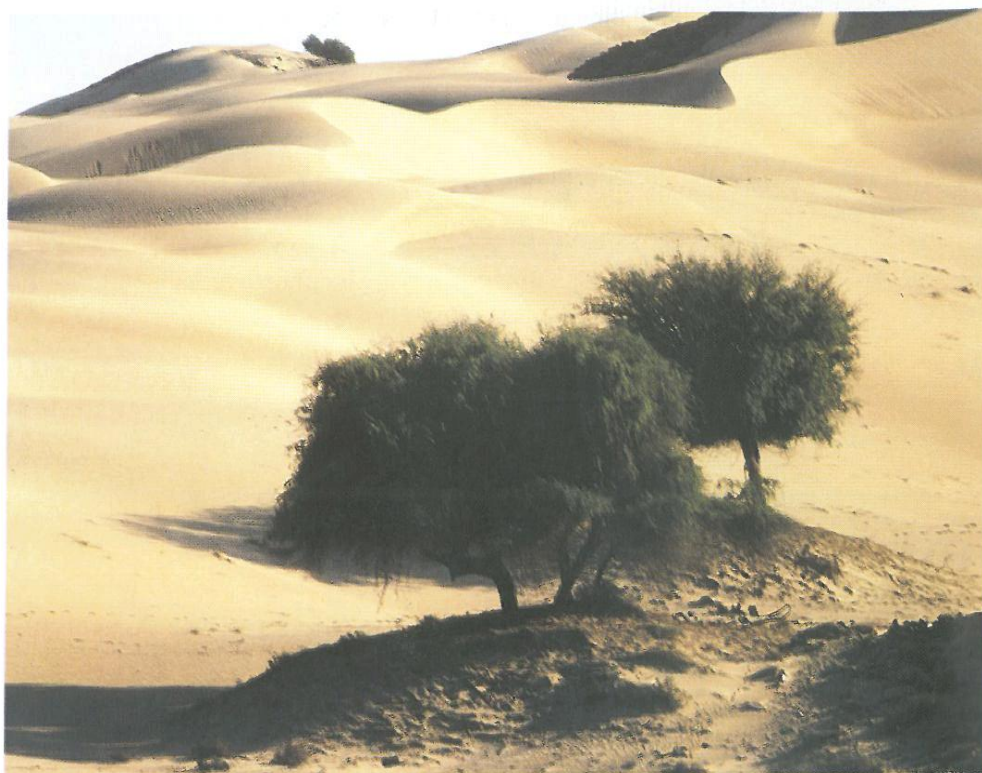
Al-Batinah

The Batinah is the area between the sea and the mountains running some 270 kilometres from the border with the UAE to Muscat. Traditionally it was a fishing and farming region, but is now becoming more commercial and industrialised, in line with the policy of diversification of the economy, with projects embracing a wide variety of enterprises, many of which are located in designated industrial areas. It is one of the most densely populated areas of Oman.

Behind the Batinah stretch the Western Hajar mountains running parallel to the coast with the highest peaks reaching over 3000 metres. The principal town is al-Rustaq which was once the capital of Oman.







Al-Jauf

The al-Jauf central plateau that stretches from the foot of the Jebel al-Akhdar South to the desert is the heartland of Oman and contains the historic towns of Nizwa, Bahla, Manah, Adam and Izki.

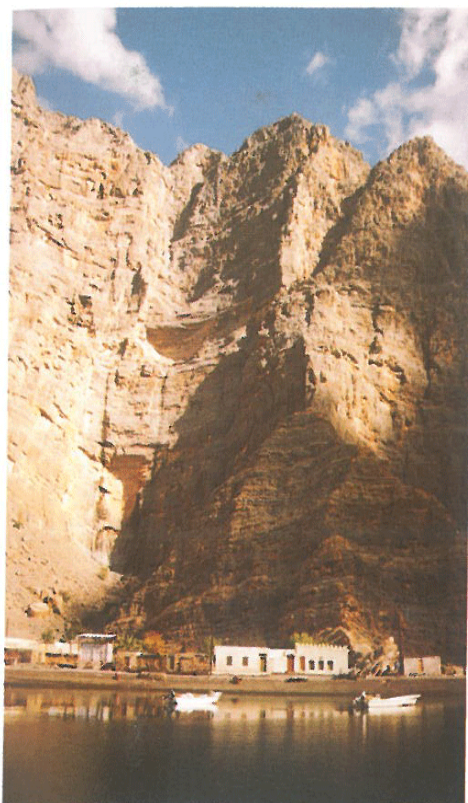
▲ The awe inspiring grandeur of the desert.

Sumail Gap

The Wadi Sumail forms a natural break between the Eastern and Western Hajar mountain range and thus forms the main artery of communication from the coast to the interior. The oil and gas pipelines run through the Gap, in which there are many small settlements as well as the major centres at Sumail, Bidbid and Fanjah.

Al-Dhahirah

The Dhahirah, meaning the 'back' as opposed to the Batinah or 'belly' of the mountain is a semi-desert plain sloping down from the Western Hajar towards the Empty Quarter. In the North it meets the UAE at the border town of al-Buraimi. The other main towns are Ibri, Dhank and Yanqul.



▲ A small village nestles at the foot of the prehistoric splendour of the Musandam.

►► The harshness of the mountains is softened by their reflection in one of Oman's tranquil bays.

Al-Sharqiya

The Sharqiya is an area of sandy plains and wadis lying on the inland side of the Eastern Hajar mountain range. The main centres of population are Ibra and Sur. To the South lies the Wahiba sand sea and along the coast small fishing communities and the islands of Masirah and Mahawt.

Al-Wusta

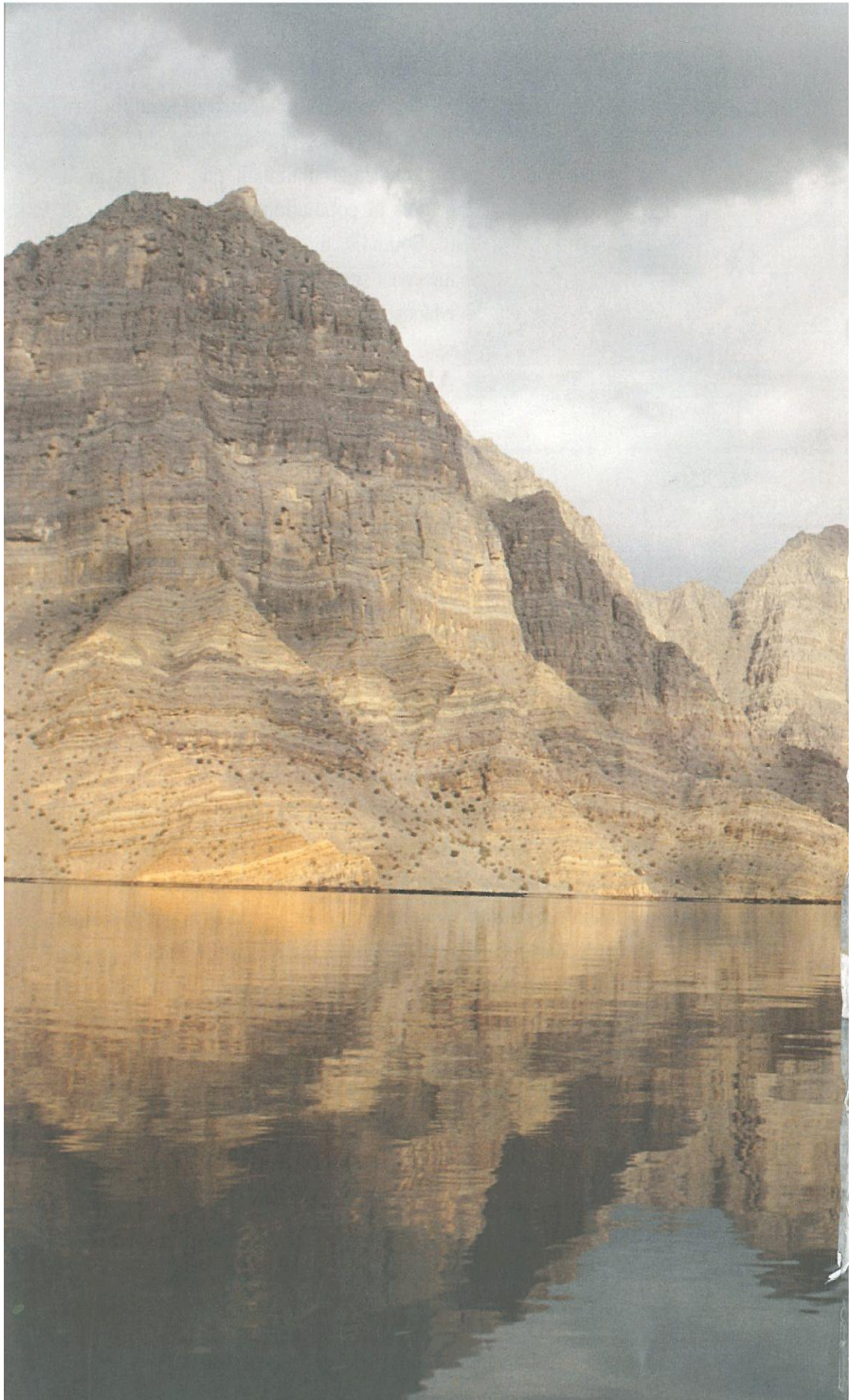
The central region is a gravel desert with escarpments running down to the coast, where the main occupation is fishing. Inland lie Oman's oil and gas and mineral deposits. It also contains the Oryx nature reserve. The main settlements are at Haima and al-Duqm.

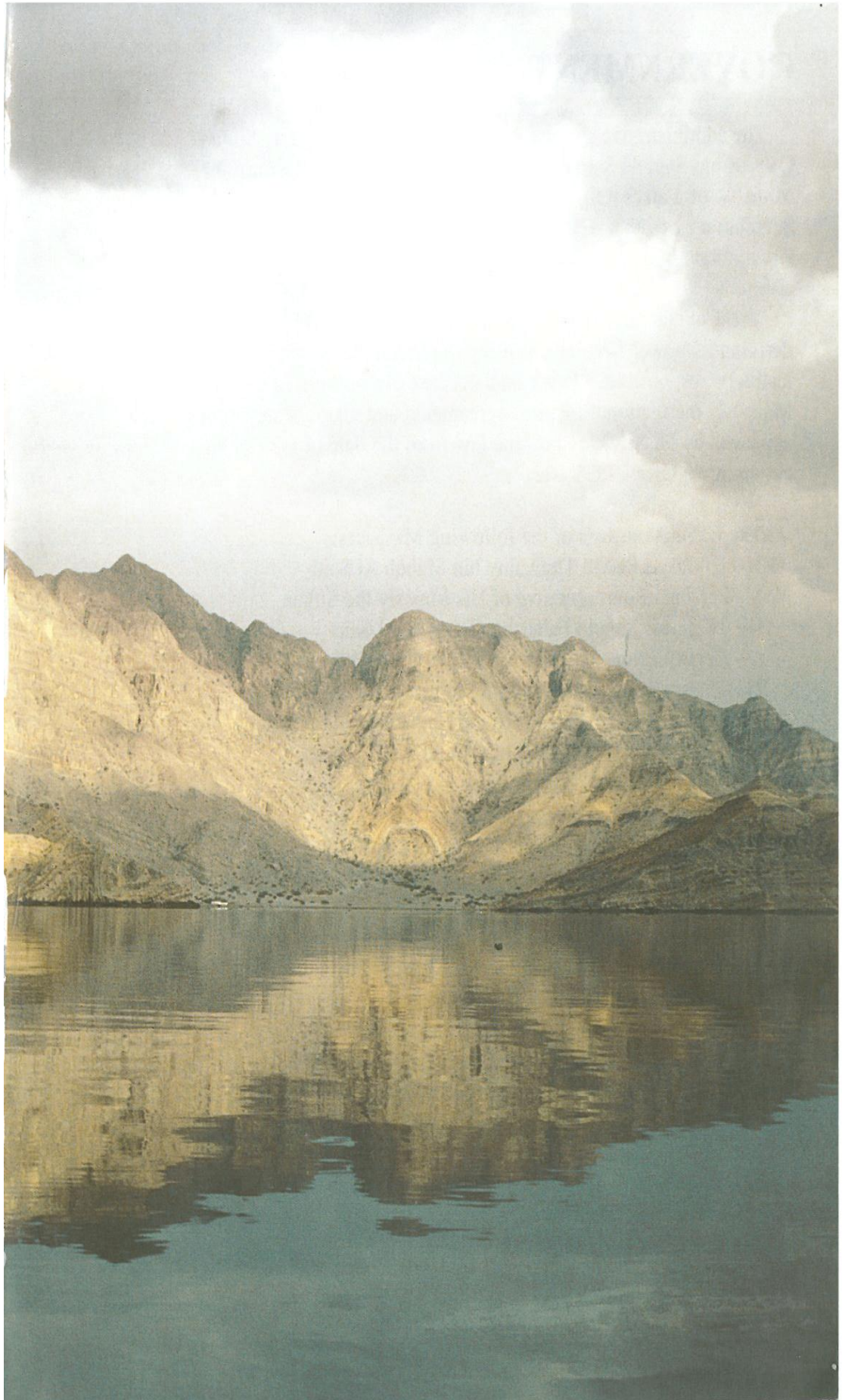
Southern Region (Dhofar)

The Southern region occupies about one third of the total area of Oman. The main town is Salalah which lies on the fertile coastal plain and the principal occupations of the inhabitants are fishing and agriculture. Raysut, to the West of Salalah, is Oman's second port and is also the location for a new industrial area. The Qara mountain range with its unique climate provides valuable pasture for cattle, camels and goats. Offshore, the Halaniyat Islands support a small fishing community.

Musandam

Separated from Oman by part of the United Arab Emirates, Musandam is a spectacular feature with mountains rising up to 1,800 metres and falling precipitately into the sea. Once forming an almost impenetrable barrier it is now being linked with the rest of Oman by a modern road network. The main centres are Khasab and Bukha and the major commercial activity is fishing.





GOVERNMENT

The administrative system of the State under His Majesty Sultan Qaboos bin Said Al Said consists of the Diwan of Royal Court, the Ministry of Palace Office Affairs, the Cabinet of Ministers and Secretariat of the Cabinet, the Specialised Councils, the Governorate of Muscat, the Governorate of Dhofar and the Majlis al-Shura.

The Cabinet of Ministers is the highest executive authority, deriving its power from His Majesty the Sultan, to whom it is collectively responsible. Laws and decrees are authorised by His Majesty. International treaties, agreements and charters signed or approved by His Majesty become law from the date of their publication in the Official Gazette

The Cabinet consists of the following Ministers:-

His Highness Saiyid Thuwainy bin Shihab Al Said

- Personal Representative of His Majesty the Sultan

His Highness Sayyid Faher bin Taimour Al Said

- Deputy Prime Minister for Security and Defence

His Highness Sayyid Fahad bin Mahmoud Al Said

- Deputy Prime Minister for the Council of Ministers

His Highness Sayyid Faisal bin Ali Al Said

- Minister of National Heritage and Culture

His Excellency Sayyid Saif bin Hamad bin Saud

- Minister of the Diwan of the Royal Court

His Excellency Fariq Awal Ali bin Majid al-Ma'amari

- Minister of Palace Office Affairs and Head of the Office of the Supreme Commander of the Armed Forces

His Excellency Said bin Ahmed al-Shanfari

- Minister of Petroleum and Minerals

His Excellency Hamoud bin Abdullah al-Harthi

- Minister of Justice, Awqaf and Islamic Affairs

His Excellency Yahya bin Mahfudh al-Mantheri

- Minister of Higher Education and Vice Chancellor of Sultan Qaboos University

His Excellency Sayyid Badr bin Saud bin Hareb

- Minister of the Interior

His Excellency Abdul Aziz bin Mohammed al-Rowas

- Minister of Information

His Excellency Sayyid al-Mutasim bin Hamoud al-Busaidi
 - Minister of State and Governor of Muscat

His Excellency Yousef bin Alawi bin Abdullah
 - Minister of State for Foreign Affairs

His Excellency Salim bin Abdullah al-Ghazali
 - Minister of Communications

His Excellency Ahmed bin Suwaidan al-Balushi
 - Minister of Posts, Telegraphs and Telephones

His Excellency Sheikh Mohammed bin Ali al-Qatabi
 - Minister of Electricity and Water

His Excellency Sheikh Mohammed bin Abdullah al-Hinai
 - Minister of Agriculture and Fisheries

His Excellency Sayyid Musallam bin Ali al-Busaidi
 - Minister of State and Governor of Dhofar

His Excellency Ahmed bin Abdul Nabi Macki *
 - Minister of National Economy

His Excellency Malik bin Suleiman al-Ma'amari
 - Minister of Housing

His Excellency Dr Ali bin Mohammed bin Moosa
 - Minister of Health

His Excellency Sayyid Hamoud bin Faisal bin Said
 - Secretary General to the Cabinet

His Excellency Sheikh Amer bin Shuwain al-Hosni
 - Minister of Regional Municipalities and Environment

His Excellency Hamed bin Said al-Aufi
 - Minister of Water Resources

His Excellency Maqbool bin Ali bin Sultan
 - Minister of Commerce and Industry

His Excellency Ahmed bin Mohammed al-Esai
 - Minister of Social Affairs and Labour

His Excellency Mohammed bin Ali al-Alawi
 - Minister of State for Legal Affairs

His Excellency Sayyid Saud bin Ibrahim al-Busaidi
 - Minister of Education

His Excellency Mohammed bin Moosa al-Yousef
 - Minister of State for Development Affairs

His Excellency Sheikh Abdul Aziz bin Matar bin Salim al-Azizi
 - Minister of the Civil Service

* The Ministry of National Economy was established by Royal Decree in December 1995. By the same Decree the name of the

Ministry of Finance and Economy is changed to Ministry of Finance and H.E. the Minister of National Economy is appointed Vice-President of the Financial Affairs Council.

Administrative Regions & Wilayats

The Sultanate of Oman is divided into eight administrative regions, which are further sub-divided into fifty-nine districts or Wilayats. Each Wilayat is governed by a Wali who is responsible to the Ministry of the Interior.

Legal Affairs

In 1975 the Diwan of Legislation was formed to review all laws and to draft Royal Decrees, international agreements and government contracts. In 1994 the Ministry of Legal Affairs was established to match the legal framework of the State with the development and progress seen throughout the Sultanate. The Ministry is responsible for the preparation of Royal Decrees and for reviewing all draft laws, regulations and Ministerial Decisions before they are promulgated and published in the Official Gazette.

The Ministry issues the Official Gazette and gives legal opinion and advice to the Government on the interpretation of Royal Decrees and Laws and any other matter referred to it by His Majesty the Sultan. Another important responsibility is the scrutiny of any contract committing the Government to expenditure of over RO 500,000.

Majlis Al-Shura

In November 1990, His Majesty Sultan Qaboos announced that a new consultative council (Majlis al-Shura) would replace the State Consultative Council (Majlis al-Istishari lil-Dawla) which had been formed in 1981. In December 1991, the first Consultative Council was inaugurated with 59 members representing each of the Wilayats.

The State Consultative Council had been a nominated body, but in accordance with the steps being taken towards further political liberalisation each member of the present Consultative Council has been elected with the exception of the President who is appointed by Royal Decree. The two vice-presidents are elected by the membership of the Council in a secret ballot.

► The National Flag was raised for the first time on 17th December 1970. The flag carries the Sultanate's emblem of two crossed swords with a khanjar and belt superimposed. The colours signify white for peace and prosperity, red for the struggle to liberate and unify Oman and green for the religion, fertility and beauty of Oman. Before the 25th National Day last year new regulations were introduced for the proportions of the three colours, the dimensions of the flag and the height of the poles on which it may be flown.

The term of membership is three years which may be extended. Candidates must be of Omani nationality, not less than thirty years of age, have a good reputation and be reasonably well educated. Once a candidate is selected for membership he or she must give up any other official post.

The next elections to the Council are due to take place in 1997. The last elections in July 1994 resulted in the appointment of two women for the first time. The number of members was also increased to 80 based on the results of the first National Census held in December 1983. Wilayats with a population of more than 30,000 people elected four candidates from whom two were selected to serve as members of the Council. Wilayats with smaller populations continue to put forward two candidates, one of whom is selected.

Women are being encouraged to come forward as candidates and it is likely that more will be elected next year. The Council will continue to evolve along democratic lines in accordance with the traditions and principles of Islam. These are enshrined in the verses of the Holy Qur'an, which contains a chapter entitled Surat al-Shura.

In December 1995 the Council held an extraordinary meeting for the first time to discuss the outlines of the Fifth Five-Year Plan which had been referred to the Council for study and discussion. As well as following up and evaluating the implementation of the Fourth Five-Year Plan, the Council had been instrumental in





◀ His Majesty meeting the President of the Saudi Arabian parliament with His Excellency the President of the Majlis al-Shura.

helping to make studies and recommendations for Oman's future economic and financial policy. In January this year at its first ordinary session the Council discussed the legal committee's submission on the commercial agencies law and the follow-up to the previous session on the question of sinking test wells near to falaj and wadi sources. This was a question which had been raised by five members of the Council to be answered by the Minister of Water Resources and his technical staff who gave a presentation to the Council.

One of the principal duties of the Council is to review all social and economic draft laws, prepared by the Ministries before their enactment. The Council also has a duty to participate in efforts towards the conservation of the environment. Much of the Council's work is done in committee. There are five permanent committees - legal, economic, health & social affairs, education & culture and services & development of local communities. Two additional committees have been formed - environment & human resources and follow up & implementation.

Meetings of the committees are held in camera and members are not at liberty to divulge any of the proceedings of the Council which are kept confidential. However under the constitution of the Council, public service Ministers are expected to submit reports and answer questions on their Ministries' performance, plans and achievements. These are made known to the public through the media. The television appearances of Ministers have been very well received by the public.

Tender Board

The Tender Board was established by Royal Decree in 1973 to ensure the fair and equitable allocation of contracts. The Board is assisted by an Executive Secretariat which forms the active link between the Board and the various Government authorities that issue tenders via the Board.

◀ The Ministry of Legal Affairs is responsible for several publications, including the issue of the Official Gazette.

The Board is responsible for all Government tenders with the exception of contracts and projects related to Defence and Security. Tenders may involve assignments, materials purchase or project implementation.

FOREIGN AFFAIRS

The Sultanate has a long history of contacts and relations with countries both within and outside the Arab world. Over many centuries trade has flourished with the Indian sub-continent and Far East, and in more recent times with East Africa. The Sultanate was the first Arab country to establish diplomatic contact with the United States of America in the first half of the nineteenth century, by which time it already had a treaty relationship with Great Britain and relations with France.

However in 1970 the Sultanate of Oman faced the formidable challenge of winning diplomatic recognition in international circles, after years of isolation. In 1971 Oman joined the Arab League and the United Nations later in the same year. In 1972 the Sultanate became a member of the Islamic Conference Organisation and in 1973 a member of the Non-Aligned Group of Nations. Since then Oman has joined many international organisations and was a founder member of the Arab Gulf Cooperation Council (AGCC) in May 1981. In December last year Oman hosted the 16th Summit of the six Gulf States in Muscat.

► His Majesty poses with his brother leaders of the GCC at the latest Summit held last December here in Muscat.

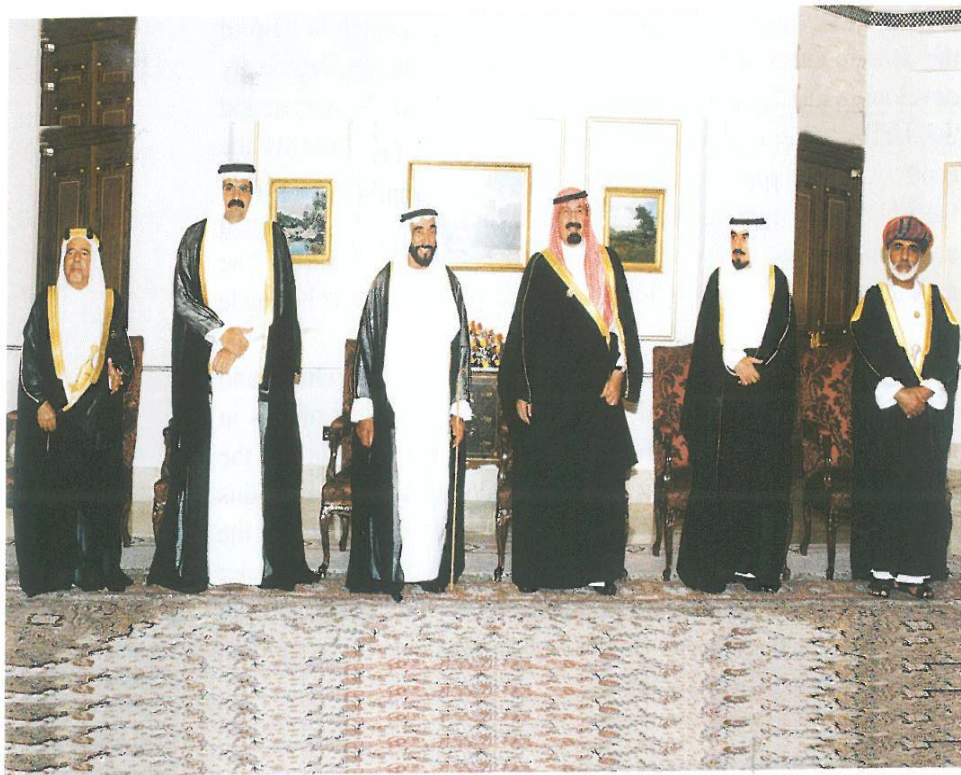
The Middle East Peace Process

Addressing Gulf leaders at the opening session of the AGCC Summit, His Majesty expressed the hope that the Middle East peace process would continue and that a just and comprehensive peace would bring stability and prosperity to the region as well as security and confidence for all its peoples. Oman has given, and continues to give total support to the Palestinian people's right to decide their own future in their own land, and to establish their own independent state. At the Sharm al-Shaikh Summit in March this year, Oman reiterated its stance against all forms of violence and terrorism in the pursuit of political goals and hoped that effective measures would be taken to preserve the peace process.

► Minister of State for Foreign Affairs, Yousef bin Alawi bin Abdullah and Foreign Ministers of other Damascus States at the 13th Summit held in Muscat in July this year.

The Middle East Desalination Research Centre

In 1994 Oman hosted the fifth meeting of the UN Peace Conference. On the recommendation of the working group on water resources set up in the context of the Middle East peace process multilateral talks, it was decided at the Conference to



establish a desalination research centre in the Sultanate to help in the search for peace and economic prosperity in the region by developing the technology to increase water resources. Oman and the United States have committed \$3 million each towards the centre which will be situated in the Wilayat of Barka. Experts from the EU, Egypt, Jordan, Israel, Tunisia, Morocco, Korea and Japan are participating in a working group to launch the Centre. The appointment of a director for the Centre is expected to be made before the end of the year.

Although diplomatic relations do not exist between Oman and Israel, both countries agreed last October to open trade offices in each other's countries as a further step on the road to peace in the Middle East. The agreement was signed at the end of January this year. The offices in Muscat and Tel Aviv will concentrate on the development of bilateral and multilateral cooperation in water resources technology, trade and transshipment agreements, as well as economic and industrial cooperation in the fields of agriculture, chemicals and advanced sciences.

► His Majesty discusses matters of mutual concern with His Majesty King Fahad of Saudi Arabia.

World Trade Organisation and Economic Dialogue

Oman is currently studying plans to become a full member of the World Trade Organisation. A committee of Government officials and representatives of the private sector is being set up to consider the proposal. Oman obtained observer status in January last year.

AGCC Foreign Ministers met in Muscat prior to the December Summit to review the economic relations between the Gulf States and other economic blocs, particularly the European Union. Negotiations with the EU to improve trade ties are to continue in Brussels this year with Oman leading the AGCC team and Italy the European side. It is hoped that these negotiations will be a major step forward since progress was frozen three years ago over the European Commission's intention to impose a carbon tax.

AGCC-EU Industrial Conference Muscat - October 1995

The third session of the Conference was held in Muscat in October last year. It was a continuation of meetings held in

► His Majesty discusses important affairs with visiting President Hosni Mubarak of Egypt.



Granada in 1990 and in Doha in 1992 to discuss the issues and obstacles to a free trade agreement between the two sides. The European Union is the largest trading partner of the AGCC countries. With the decline in oil prices the trade balance has tilted towards the EU, which in addition has levied tariffs on oil imports and petrochemicals from the Gulf. Oman and her neighbours want to encourage more inward investment from Europe and to see an end to trade barriers which they consider go against the spirit of the initial accord signed in Luxembourg in 1988.

Border Demarcation

In June last year Oman and Yemen completed the demarcation of their borders in accordance with an agreement signed in October 1992. In the following month a ceremony was held in Riyadh to sign the final border maps between Oman and Saudi Arabia. The demarcation agreement had been signed between the two countries in March 1990. Copies of the maps showing the international boundaries between Oman and Saudi Arabia were deposited with the Arab League in Cairo in November last year.

Oman and Qatar have strengthened diplomatic ties as a result of which their nationals can now travel to the others' country on an identity card instead of a passport. This easing of border controls came into force in September last year. Oman and the UAE have had a similar agreement since 1992.

Membership of the Sultanate in Gulf, Arab, Islamic and International Organisations

The Sultanate has participated in several regional and international conferences in recent years:-

The Seventh Islamic Summit in Casablanca, Morocco in December 1994.

The International Summit for Social Development in Copenhagen, Denmark in March 1995.

The meeting of the Co-ordination Bureau for the Non-Aligned Movement in Bandung, Indonesia in April 1995 to celebrate the 40th Anniversary of the Bandung Conference.

The International Conference for Women held in Beijing, China in September 1995.

The 11th Summit Conference of Non-Aligned States held in Catargena, Columbia in September 1995.

The twenty-third Islamic Foreign Ministers' Conference in Conakry, Guinea, in December 1995.

The Sultanate also participated in conferences in Washington, Lisbon and Tokyo to coordinate aid for the Commonwealth of Independent States (the former Republics of the Soviet Union). Oman offered financial loans to some of the Republics and signed an agreement with Kazakhstan offering technical assistance for the development of oil resources.

Countries with which the Sultanate of Oman has Diplomatic Relations

A total of 131 countries:-

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Algeria, Democratic and Popular Republic of
Argentina, Republic of
Armenia, Republic of
Australia, Commonwealth of
Austria, Republic of
Azerbaijan, Republic of
Bahrain, State of
Bangladesh, People's Republic of
Belarus, Republic of
Belgium, Kingdom of
Bolivia, Republic of
Bosnia and Herzegovina
Brazil, Federal Republic of
Brunei Darussalam, State of
Bulgaria, Republic of
Burkina Faso,
Burundi, Republic of
Canada
Chad, Republic of
Chile, Republic of
China, People's Republic of
Colombia, Republic of
Comoros, Federal Islamic Republic of the
Cuba, Republic of
Cyprus, Republic of
Czech Republic
Denmark, Kingdom of
Djibouti, Republic of

Ecuador, Republic of
Egypt, Arab Republic of
Eritrea, State of
Estonia, Republic of
Ethiopia
Finland, Republic of
France, Republic of
Gabon, Republic of
The Gambia, Republic of
Germany, Federal Republic of
Ghana, Republic of
Greece, Hellenic Republic of
Guatemala, Republic of
Guinea, Republic of
Guinea Bissau, Republic of
Guyana
Honduras
Hungary, Republic of
Iceland, Republic of
India, Republic of
Indonesia, Republic of
Iran, Islamic Republic of
Iraq, Republic of
Ireland
Italian Republic
Ivory Coast, Republic of
Jamaica
Japan
Jordan, Hashemite Kingdom of
Kazakhstan, Republic of
Kenya, Republic of
Korea North, Democratic People's Republic of
Korea South, Republic of
Kuwait, State of
Kyrgyzstan, Republic of
Latvia, Republic of
Lebanon, Republic of
Lithuania, Republic of
Luxembourg, Grand Duchy of
Macedonia

Malaysia
Maldives, Republic of
Mali, Republic of
Malta, Republic of
Mauritania, Islamic Republic of
Mauritius
Mexico, United States of
Moldova, Republic of
Mongolia
Morocco, Kingdom of
Mozambique, Republic of
Nepal, Kingdom of
Netherlands, Kingdom of
New Zealand
Nicaragua, Republic of
Niger, Republic of
Nigeria, Federal Republic of
Norway, Kingdom of
Pakistan, Islamic Republic of
Panama, Republic of
Peru, Republic of
Philippines, Republic of
Poland, Republic of
Portugal, Republic of
Qatar, State of
Romania
Rwanda, Republic of
Russian Federation
St Lucia
Saudi Arabia, Kingdom of
Senegal, Republic of
Seychelles, Republic of
Sierra Leone, Republic of
Singapore, Republic of
Slovakia
Slovenia
Somalia, Democratic Republic of
South Africa, Republic of
Spain, Kingdom of
Sri Lanka, Democratic Social Republic of

Sudan, Republic of
 Sweden, Kingdom of
 Switzerland, Confederation of
 Syria, Arab Republic of
 Tanzania, United Republic of
 Thailand, Kingdom of
 Tunisia, Republic of
 Turkey, Republic of
 Turkmenistan, Republic of
 Uganda, Republic of
 Ukraine
 United Arab Emirates
 United Kingdom of Great Britain and Northern Ireland
 United States of America
 Uruguay, Republic of
 Uzbekistan, Republic of
 Venezuela, Republic of
 Vietnam, Socialist Republic of
 Yemen, Republic of
 Zaire, Republic of
 Zambia, Republic of
 Zimbabwe, Republic of

MEMBERSHIP OF THE SULTANATE IN GULF, ARAB, ISLAMIC AND INTERNATIONAL ORGANISATIONS

GULF ORGANISATIONS	Date joined
Arab Gulf Cooperation Council	25.5.80
Arab Centre for Educational Research Higher Education Council	1973
Arab Education Office for the Gulf States	1979
Arab Gulf States' Joint Programme Production Organisations	1982
Arab Gulf University	1980
Co-operation Council States Specifications and Standards Board	1982
Gulf International Bank	1976
Gulf Organisation for Industrial Investments	1976

Gulf News Agency	1976
Gulf States' Labour & Social Affairs Ministers' Council Continuity Office	1978
Gulf Television Board	1980
Technical Office for Communications (Gulf States Co-operation Council)	1982

ARAB ORGANISATIONS

League of Arab States	25.9.71
Arab Academy for Maritime Transport	1975
Arab Administrative Development Organisation	1975
Arab Bank for Economic Development in Africa	1975
Arab Centre for the Study of Arid Zones and Dry Lands	1975
Arab Civil Aviation Council	1973
Arab Fund for Economic & Social Development	1975
Arab Girl Guides Office	1976
Arab Health Ministers' Council	1975
Arab Housing Ministers' Council	1982
Arab Industrial Development Organisation	1980
Arab Interior Ministers' Council	1982
Arab Justice Ministers' Council	1982
Arab Labour Organisation	1973
Arab League Educational Cultural and Scientific Organisation	1973
Arab Monetary Fund	1977
Arab Organisation for Agricultural Development	1974
Arab Organisation for Specifications & Standards	1974
Arab Planning Institute	1980
Arab Postal Union	1971
Arab Scouts' Office	1976
Arab Social Affairs Ministers' Council	1980
Arab Social Defence Organisation Against Crime	1973
Arab States Broadcasting Union	1972
Arab Telecommunications Union	1983
Arab Tourism Union	1984
Arab Transport Ministers' Council	1985
Arab World Institute in Paris	1987
Arab Youth & Sports Ministers' Council	1980
Arabsat	1976

Inter-Arab Investment Guarantee Corporation	1977
Organisation of Arab Cities	1971

ISLAMIC ORGANISATIONS

Islamic Conference Organisation (ICO)	1972
al-Quds Fund (Jerusalem)	1976
International Committee for the Preservation of Islamic Heritage	1978
Islamic Capitals Organisation	1982
Islamic Centre for Commercial Development	1979
Islamic Centre for Technical and Vocational Training and Research	1978
Islamic Development Bank	1974
Islamic Education, Scientific and Cultural Organisation (ISESCO)	1980
Islamic Fiqh Council	1982
Islamic History & Cultural Research Centre	1976
Islamic International News Agency	1970
Islamic States Broadcasting Organisation	1975
Islamic States Centre for Statistical, Economic and Social Research Training	1977
Islamic Solidarity Fund	1974

INTERNATIONAL ORGANIZATIONS

United Nations Organisation (UN)	1972
International Bank for Reconstruction and Development	1971
International Civil Aviation Organisation	1973
International Fund for Agricultural Development	1983
ILO	1994
International Maritime Organisation (IMO)	1974
International Monetary Fund (IMF)	1971
International Telecommunications Union	1972
UNESCO	1972
FAO	1971
UNIDO	1985
Universal Postal Union	1971

WHO	1971
World Meteorological Organisation	1975
WTO (observer status)	1995

OTHER INTERNATIONAL ORGANISATIONS

Inter-Governmental Bureau for Informatics	1986
INTERPOL	1972
International Association of Lighthouse Authorities	1987
Internal Association of Schools and Institutes of Administration	1986
International Civil Defence Organisation (ICDO)	1985
International Hydrographic Organisation	1987
International Institute of Administrative Science	1985
International Organisation for Legal Meteorology	1989
International Organisation for Training and Welfare of the Disabled	—
INTELSAT (International Satellite Organisation)	1975
ISO (International Standardisation Organisation)	1989
IUAT (International Union Against Tuberculosis)	1985
IUCN (International Union for Conservation of Nature)	1975
International Union of Child Welfare	1980
IWC (International Whaling Commission)	1980
Non - Aligned Movement	1973
World Scout Bureau (WSB)	1977
World Association of Girl Guides & Girl Scouts (WAGGS)	1987
World Council for Welfare of the Blind	1979

OTHER REGIONAL ORGANISATIONS

Afro-Asian Insurance Union	1981
Afro-Asian Legal Consultation Committee	1986
Afro-Asian Organisation for Rural Development	1979
Arab Gulf Organisation for Support of Development Activities for the United Nations (AGFUND)	
Regional Organisation for Protection of the Maritime Environment	

INFORMATION

Information plays a vital role in the political, social and economic life of a modern state. It brings many benefits to the people and gives an added dimension to the quality of life and well-being of a nation. It is therefore hardly surprising that as much attention has been paid to advancing the media in Oman as many other aspects of the country's rapid and successful development.

Radio Oman

In 1970, only one week after His Majesty, the Sultan came to power, a small broadcasting station was established at Bait al-Falaj. It was only a one kW transmitter but it enabled people to hear the voice of their leader for the first time. In the following year transmissions began from Salalah and in 1972 a new medium wave 10 kW station was inaugurated, broadcasting regularly 14 hours a day and 18 hours on holidays. In 1975 the Ministry installed 100 kW medium wave transmitters in Muscat and Salalah and in 1979 linked the two broadcasting stations by satellite. VHF FM transmitters were installed and further improvements were made to the medium and short wave broadcasts so that the 'Voice of Oman' can now be heard in all parts of the country as well as in the Gulf and East Africa.

Broadcasts are now made in Arabic on 1242 kHz from Muscat (738 kHz from Salalah). A new transmitter in Haima opened in 1995, which covers the central area of the country on 576 kHz. Transmissions are also made on FM giving a total of 19.5 hours of broadcasting daily. There are also broadcasts in English on 90.4 kHz from Muscat (94.3 kHz from Salalah). There are three main news bulletins every day in English and the service broadcasts mainly classical music in the mornings, with light entertainment and popular music in the afternoons and evenings, making a total of 15 hours of continuous transmission.

During 1995 transmissions totalled 12,803 hours; of the material broadcast, 85% was locally produced, thanks to contributions from all parts of Oman as well as from correspondents in thirteen cities round the world.



▲ Many homes in Oman now boast sophisticated satellite aerials and dishes.

►► Publications issued by the Ministry of Information in celebration of the Silver Jubilee.

Sultanate of Oman TV

Television transmissions began in 1974 from Muscat and in 1975 from Salalah. In 1979 the two stations were linked by satellite. Since then many other improvements have been made; a network of 16 main transmitters linked to 80 relay stations, 60 of which are solar powered, has been installed. Later the number of stations was raised to 115 to ensure that not only television, but also FM radio covered all areas of Oman from Shinas in the north to Ras al-Hadd in the south. Even the remote parts of the Musandam peninsula are covered by a transmitter on Jebel al-Hara and its 8 relay stations.

Television transmissions begin at 1000hrs and continue into the night for an average of 17 hours a day. Last year 46% of the 6,392 hours of transmission were locally produced programmes. Besides transmitting a wide variety of programmes, Oman TV embarked on a major project entitled 'Oman in History' which consisted of 15 episodes, each of 55 minutes, covering important events from the earliest times to the present day. The production employed around 150 actors and was shot on location in Oman with re-enactments of 32 battles on land and sea. For the Silver Jubilee last year, Oman

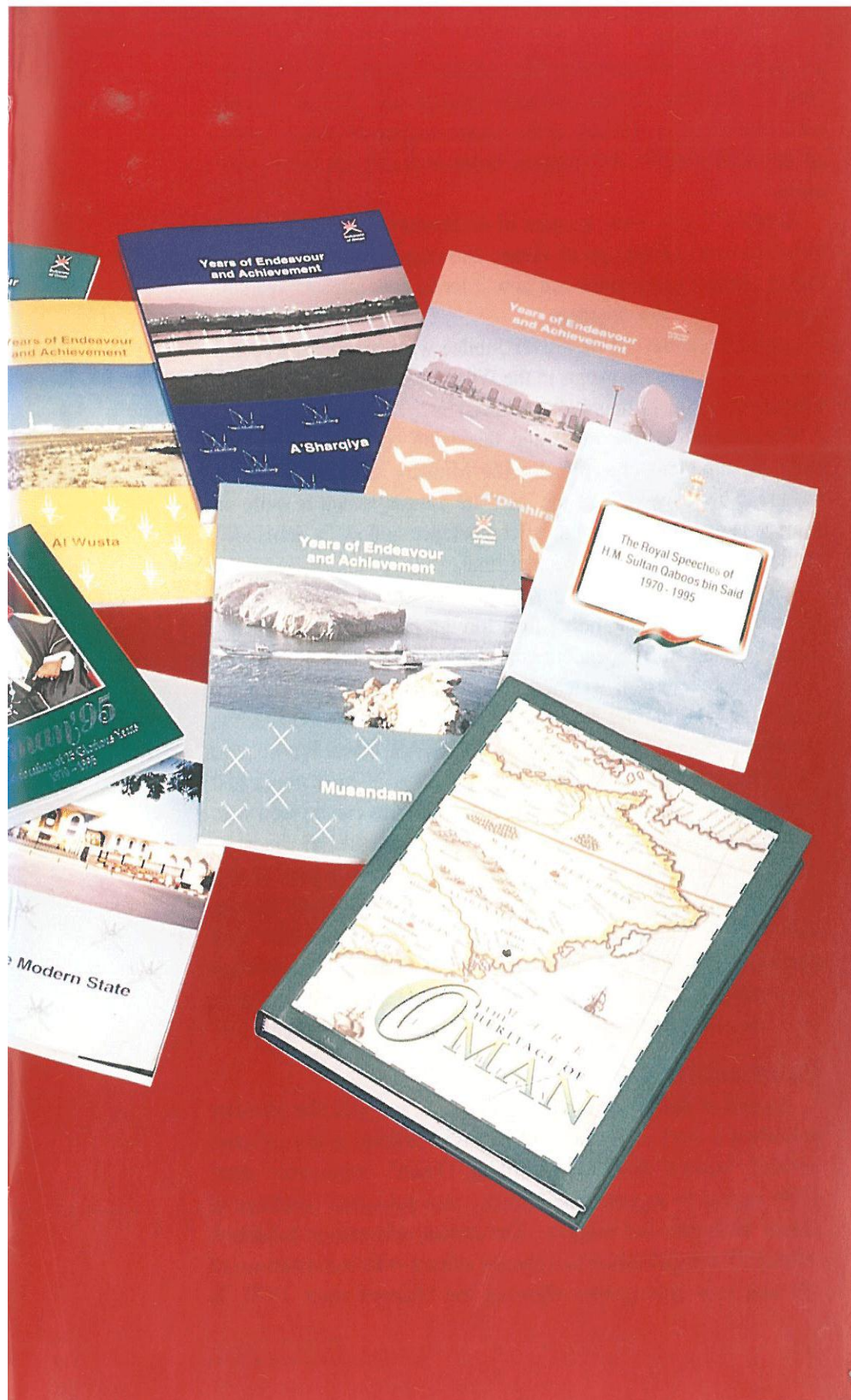
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Bangladesh, People's Republic of
Belarus, Republic of
Belgium, Kingdom of
Bolivia, Republic of
Bosnia and Herzegovina
Brazil, Federal Republic of
Brunei Darussalam, State of
Bulgaria, Republic of
Burkina Faso,
Burundi, Republic of
Canada
Chad, Republic of
Chile, Republic of
China, People's Republic of
Colombia, Republic of
Comoros, Federal Islamic Republic of the
Cuba, Republic of
Cyprus, Republic of
Czech Republic
Denmark, Kingdom of
Djibouti, Republic of



TV produced a documentary film entitled "Oman – 25 Glorious Years". English, French, German, Spanish and Italian versions were distributed in addition to the Arabic original in order to show all the achievements and progress made over the last twenty-five years.

Oman TV also made a series of documentaries covering the 8 Governorates and regions of Oman, showing what each was like before Oman's renaissance and how it looks now after 25 years of construction and development.

The celebrations for the Silver Jubilee were broadcast live and Oman TV covered the events in the Wilayats as well as those in the Capital area with 19 hours of transmissions.

Omanisation of the radio and television services has always been an important objective for the Ministry since the services began. Now over 90% of the staff are Omani which is quite an achievement given the technical competence and skills demanded of them over such a short space of time.

Two surveys carried out during 1995 showed that viewers prefer to watch Oman TV rather than foreign channels. One survey carried out by an independent consultant showed that 92% of the 1,517 people sampled watched Oman TV compared to 29% for other channels that are received by satellite. Besides Oman TV, viewers in Oman can watch BBC, CNN, STAR, Canal France, Zee TV, MBC and other Arab channels as well as 24-hour music and sports channels. An increasing number of houses can be seen with satellite dishes on the roofs. Like the fully commercial channels, Oman TV carries advertisements. The second survey took a sample of 1,013 people between the ages of 16 and 60, which showed that 68% of Omanis and 24% of expatriates were satisfied with Oman Television programmes. The survey showed that television set ownership has risen, with 99% of people surveyed having at least one colour television set. Three per cent of them owned 3 sets.

Publications

As part of the Silver Jubilee celebrations last year the Ministry published a work in Arabic and English versions in ten volumes entitled 'Masirat al-Khair' describing Oman's renaissance since 1970, region by region. The Ministry also published 'Heritage of Oman' in Arabic and English. The annual information handbook 'Oman'95 was published in a special edition with a comparison of old and new photographs showing the changes since 1970. In



▲ Oman News Agency staff writing and editing news on a fully-computerised system.

in addition to the Arabic and English editions, French, German, Italian, Spanish and Japanese versions were published. The Ministry also published the speeches of His Majesty in Arabic and English to mark the occasion.

Following the 1994 seminar 'Oman in History' at the Sultan Qaboos University, the Ministry has collected the papers given by the distinguished academics and historians invited to attend and has published them in one volume as a valuable work of reference in both Arabic and English.

Oman News Agency

Although the Oman News Agency (ONA) was fairly recently established, it has in less than ten years become a valuable link in the media chain, disseminating news about Oman both nationally and internationally. The agency receives pictures and news items from Reuters and AFP by satellite for distribution to local news outlets. ONA receives transmissions from 16 Gulf, and other Arab and international agencies and has correspondents in foreign capitals who provide news analysis and documentary reports. Most of the Agency staff are well qualified Omanis who have been trained overseas.





◀ Preparation of Oman's daily newspapers - typesetting and printing.

▲ A rehearsal by members of Oman's Centre for Traditional Music.

The Omani Press

Oman currently has 26 publications available to the public, of which five are daily newspapers (3 in Arabic, 2 in English) and four weekly magazines. The remaining publications are of a specialist nature and are published by the Government or other institutions like the Chamber of Commerce and Central Bank of Oman. The most important Government publication is the Official Gazette which contains the complete text of all Royal Decrees and Ministerial Decisions. The promulgation of any new legislation is always carried by the daily press and announced on radio and television.

Oman Centre for Traditional Music

The Centre is responsible for the collection and documentation of the traditional folk music of Oman. It has an impressive collection of video tapes, sound recordings and colour photographs of the songs and dances which have been handed down from generation to generation. In August last year Omani musicians and dancers of the al-Ajyal folkloric troupe from Sur accompanied the Royal Guard Band to Switzerland to take part in the country's Golden Jubilee celebrations and to help Oman's Directorate-General of Tourism promote the Sultanate as a tourist destination.

DEFENCE

The Sultan's Armed Forces, with their high standard of training and modern equipment, have become a formidable defensive shield for the peace, security and stability of the Sultanate. Under the inspiration of His Majesty, the Supreme Commander of the Armed Forces, they have achieved an impressive professionalism and dedication to the task of defending their country.

National Day Parade

The centrepiece of the National Celebrations for the Silver Jubilee last year was the military parade and review in the presence of His Majesty. Some 10,000 troops representing all units of the Armed Forces took part in the parade, which included for the first time the Challenger-2 battle tank, 155mm self-propelled artillery, 35 mm anti-aircraft guns and Piranha armoured personnel carriers. Hawk fighter aircraft of the Royal air Force of Oman flew overhead in a thrilling display of formation flying.

► His Majesty with his Army.

Armed Forces Day

In December each year, SAF celebrates Armed Forces Day, which commemorates their success in bringing the conflict in the south to an end in 1975 after a long and arduous struggle against externally supported dissident elements. Special events were staged last year throughout the Services to celebrate their 20th Anniversary. Long service and good conduct medals were awarded and a variety of military displays and competitions was arranged to mark the occasion. There is no compulsory military service in Oman and there is stiff competition to join the armed services. The training and skills offered to the serviceman stand him in good stead for civilian life later on. Both in the service and as a veteran he and his family are well cared for, proud to be of service to their country. The history and development of the Armed Forces is vividly presented in the SAF Museum at Bait al-Falaj. The building was once the permanent Headquarters of SAF but in 1978, the Ministry of Defence was established in a new camp at Muaskar al-Murtafa'a near Seeb Airport and work began on the concept of creating a Museum in the old building. The Museum was inaugurated by His Majesty in 1988.

► His Majesty, an experienced soldier, greets one of his officers.





The Royal Army of Oman (RAO)

The Royal Army of Oman consists of the three 'teeth' arms - infantry, armour and artillery with supporting services. The infantry consists of the Muscat Regiment, the Northern Frontier Regiment, the Desert Regiment, the Mountain Regiment, the Oman Coastal Regiment, the South Oman Regiment and the Western Frontier Regiment. It also has a Parachute Regiment, the Special Forces and the Firqat Forces which were originally formed as irregulars during the war in the south. Since 1975 the Firqat Forces have been integrated into the RAO as reconnaissance and rural security units. The artillery and armoured regiments are equipped with the latest weapons and both have their own training establishments.

Giving close support are the Engineers, who are trained to clear minefields and other obstacles from the battlefield. The Engineers have also contributed to the development of the country by building roads in remote areas and helping rural communities with construction projects. The Signals units and the Electrical and Mechanical Engineers play a vital role in providing the communications and technical back-up without which a modern army cannot

▲ The SAF team which had great success at the famous Bisley International Shooting Competition this year. The Omani team won the International match - the premier award - beating the United Kingdom into second place. Individual members of the Omani team won eight competitions including the Service Rifle Trophy.



▲ A Challenger tank breaks cover.

function. The Royal Army of Oman also has its own medical services, which make a valuable contribution to the health of the nation. In 1993 the military hospital at al-Khouth was acclaimed by UNICEF as one of the leading hospitals in the world offering special care to children. Officer cadets are trained at the Sultan Qaboos Military Academy before being commissioned into their regiments. There have been 36 commissioning courses to date. Courses run concurrently and are of two years' duration. Senior officers attend the Sultan's Armed Forces Command and Staff College, which has run nine courses since it was established. Unit training leads up to the annual AGCC Exercise Peninsula Shield, which was held for the fifth time this year in Kuwait.

The Royal Air Force of Oman (RAFO)

The Royal Air Force of Oman is equipped with Hawk and Jaguar fighters and Strikemaster ground attack aircraft, as well as helicopters and C130 transport aircraft. It has the Rapier missile system for air defence and operates an early warning and control network over the whole of Oman's air space. In 1986 the Sultan Qaboos Air Academy was inaugurated under the auspices of His





◀ His Majesty salutes the Colours of the RAFO.

◀ Technicians service a RAFO fighter.

▲ The crew of one of Oman's powerful Fast Patrol Craft dress ship.

Majesty the Sultan for the training of officers and aircrew. There is also a Technical Air College which trains the technicians in the skills needed to maintain sophisticated radar and aircraft equipment. Apart from its defensive role, the RAFO helps communities in remote areas with delivery of food and vital supplies and operates a flying doctor service. In conjunction with the ROP, RAO and RNO, the RAFO plays an important role in land and air sea rescue. It also patrols over the sea to assist the Ministry of Regional Municipalities and Environment combat the threat of marine pollution. Support is also given to the Ministry of Agriculture and Fisheries in locust control operations and air reconnaissance of fishing vessels.

The Royal Navy of Oman (RNO)

The naval base in Muscat harbour which was established in the early seventies had no room to expand, so the decision was taken to construct a new base at Wudam on the Batinah coast, which could accommodate an expanding fleet and provide the necessary training and support facilities.

In September 1995 two new vessels, RNOV Al Bushra and



RNOV Al Mansour, arrived in Oman to join the fleet. Both fast patrol boats were built in France. In February this year the fast patrol boat RNOV Al Najah was launched in Cherbourg (France), and in March the corvette RNOV Qahir Al Amwaj was launched in Southampton (England). It is expected that the corvette RNOV Al Mu'azzer will be launched either later this year, or early in 1997.

Also in March this year, Oman hosted the GCC naval exercise Taawun-2. This joint naval exercise had been held in Omani territorial waters for the first time in March 1994. Part of the exercise consisted of live firing of Harpoon and Exocet missiles.

An important task carried out by the RNO is hydrographic survey work, which is essential for the safe passage of ships through the Strait of Hormuz. In order to carry out the work effectively the hydrographic survey vessel RNOV Al Rahmaniyyah was recently modernised.

The RNO, like the ROA and RAFO, has its own band of musicians.

The Royal Guard of Oman (RGO)

The Royal Guard Regiment was formed in 1973 to protect and escort His Majesty Sultan Qaboos, as well as to guard Royal property and visiting personages. It is a corps d'elite, which is trained as both a combat and ceremonial unit. In 1981 the RGO was expanded from a regiment to brigade strength and in 1985 received its Royal Standard from His Majesty. On 1st November 1987 the title was changed to the Royal Guard of Oman. This date is celebrated annually as RGO Day. The Royal Guard has four line regiments and a support regiment, as well as mounted troops, a motorcycle display team, a free-fall parachute display team and three military bands, one of which is mounted. The bands have earned a high reputation for their performances not only in Oman, but also at events overseas including the Edinburgh Military Tattoo and Sydney International Tattoo.

In November 1976 the Royal Guard was given the task by His Majesty of establishing a school to give technical education to sons of its serving members. The school has over 200 students and follows a curriculum with the emphasis on engineering and technology. There is an entry examination in Arabic subjects, but

◀ His Majesty
presenting an
award on Navy
Day in December.



English is taught as part of the technical syllabus. There is intense competition for the thirty places each year due to the excellent results achieved, which lead to good career prospects in technical fields.

▲ The Royal Guard of Oman Training School.

Royal Oman Symphony Orchestra (ROSO)

In 1985 His Majesty directed that a Royal Symphony Orchestra be formed under the aegis of the Royal Guard. Young Omanis of both sexes are carefully selected and trained as musicians, in addition to being given a comprehensive general education at a boarding establishment in Bait al-Barakah. Since the ROSO performed in public for the first time in 1987, it has achieved notable progress. In January this year the ROSO played together with the visiting BBC Philharmonic Orchestra. There are now 120 members of the ROSO, of whom 30 are the original students. The Orchestra excelled itself with a special concert to celebrate the Silver Jubilee, playing to an enthusiastic audience in the al-Bustan Palace Hotel. It was a fitting tribute to His Majesty, who had had the vision of founding the Orchestra as a contribution to the arts in society as an integral part of building an outward-looking nation.

ROYAL OMAN POLICE

Oman is a notably law abiding country and there is no organised crime. This is due to the strong influence of Islamic principles, close family ties and Omani customs and traditions.

Since 1974 when His Majesty conferred the title Royal Oman Police on the newly-formed force, its expansion and achievements throughout the country have been one of the most impressive developments seen in Oman.

Organisation

The Headquarters of the Royal Oman Police (ROP) are in Qurum with eight Regional headquarters, which control police divisions within the Governorates and Wilayats. There are also Directorates-General with special responsibilities.

Directorate-General of Operations

It is responsible for maintaining general law and order, the security of public buildings and installations as well as policing special events and ceremonies.

Directorate-General of Criminal Investigation

Equipped with modern techniques for detecting crime, the Directorate has branches attached to police headquarters.

Crimes investigated include indecent assault and murder, both of which are rare. The law prescribes the death penalty for pre-meditated murder, but this is seldom carried out and executions when they do occur are not a public spectacle.

The most common crimes investigated are financial and property offences such as cheque fraud.

Directorate-General of Traffic

Although slightly fewer vehicles were registered in 1995 than in 1994 - 29,418 compared with 30,129 - the huge increase in traffic over the last five years has posed a serious problem for the Royal Oman Police and a great deal of police time is spent in dealing with traffic accidents. ROP statistics show that the number of accidents in 1995 was 11,025; a slight decrease on 1994, when the figure was



11,056. Although 1994 was an improvement on the previous year, with a downward trend in the number of accidents, deaths still average more than one a day. There were 479 deaths in 1995 compared to 497 in the previous year. Total injuries increased last year from 5,954 to 6,685.

The ROP strategy to reduce the high cost to society of traffic accidents is two-fold. First, strict enforcement of regulations, such as speed limits and, secondly, raising public awareness of road safety. Besides conducting a high profile continuous campaign in the media, the ROP participates annually in the AGCC Traffic week.

In November last year, His Majesty the Sultan ordered the exemption of disabled people of limited income from private vehicle registration and renewal fees.

▲ A dhow is inspected by an ROP coastal patrol.

Directorate-General of Immigration & Passports

New passports are being issued to Omanis this year. One feature of the new passport is that it can be read magnetically by immigration officials. Immigration cards no longer have to be completed by travellers arriving in or leaving the Sultanate. The ROP is



▲ Oilfield security patrols are an important part of the ROP's duties.

always examining ways of speeding up formalities without loss of security. It is proposed to make it easier for tourists and businessmen to enter the Sultanate. Already agreement has been reached with the UAE and Qatar to allow citizens to travel on identity cards between each other's countries and similar negotiations have taken place with the Kuwaiti authorities.

High level meetings are held between the ROP and their opposite numbers in neighbouring countries to discuss mutual concerns over borders and immigration. In February this year a contract for the construction of a new border post at al-Mazyounah on the frontier with Yemen was signed.

Directorate-General of Customs

Import and export of goods are rigorously controlled by customs officers, who also remain vigilant in the fight against drugs and other forbidden items. In fact Oman does not have a serious drugs problem, but is not complacent when facing an international issue of such magnitude.



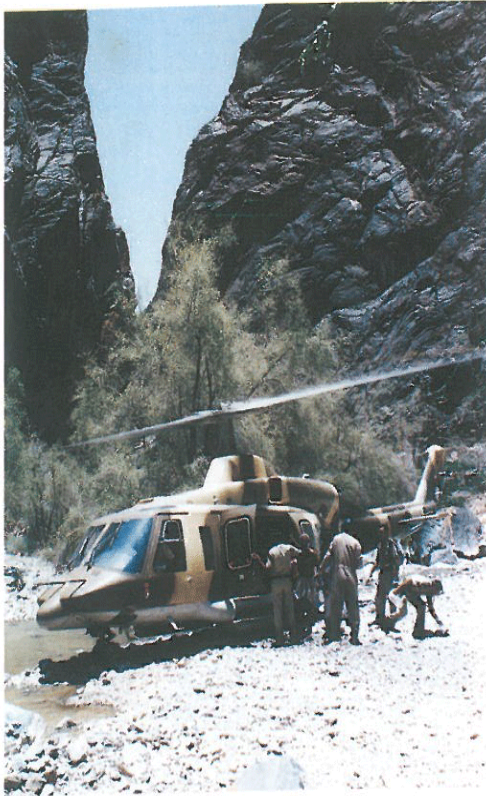
Directorate-General of Public Prosecutions

The Directorate-General has offices in each of the Regional Headquarters and brings cases before the criminal courts as appropriate. There are two prisons in Oman, where those convicted of serious crimes are sent: in Salalah and al-Manoumah on the Batinah Coast. Given the low crime rate one prison would suffice, but consideration is given to the families who would have to travel long distances to visit their relatives in prison if there was only one such establishment for the whole country.

▲ His Majesty
on a recent
inspection visit to
ROP Academy
Nizwa.

Directorate-General of Civil Defence

On the first of March each year International Civil Defence Day is observed by the Sultanate of Oman and other AGCC states. The ROP operates a fire and rescue service for dealing with emergencies, either man-made or natural disasters. The ROP believe that prevention is better than cure. Therefore much of the Civil Defence time and effort is spent on public awareness campaigns, as well as visits and inspections to sites in order to explain the hazards to which citizens may be exposed either at work or in the home.



▲ An ROP helicopter crew provide assistance to a remote community in the Interior.

ROP Academy Nizwa

The ROP Academy was inaugurated by His Majesty the Sultan on 5th January 1980, which is celebrated annually as Royal Oman Police Day. This annual event is an opportunity for the ROP to open their facilities to the public and to give lectures and seminars at sports clubs, colleges and other institutions. There is no shortage of young Omanis wanting to join the Police. They are trained to a high standard at the Academy, which has helped to achieve a notable level of Omanisation with 10 courses over the last 16 years. The ROP is now 97% Omani, and women are increasingly recruited to take on specialist tasks as well as policing of a general nature. Efforts are being made to replace the expatriates in certain specialist areas like the Police Air Wing.

Supporting Divisions

The Royal Oman Police is a self-contained organisation with several supporting divisions, such as its own medical services, the Coastguard, the Mounted Division, the Dog Unit and the musicians who performed at the Royal Oman Police Tattoo for the Silver Jubilee Celebrations.

A Tribute to the Royal Oman Police

At the end of 1995, a party of 14 German tourists were stranded in the Wadi Dhayqah by flash floods following heavy rains which submerged their vehicles and trapped them for nearly 36 hours. The tour leader managed to alert local villagers who informed the ROP at Quriyat. Police helicopters were immediately tasked and the tourists rescued. As well as thanking the local people for their help and hospitality, the tour leader expressed his appreciation of the rescue by saying: "The Royal Oman Police is an organisation of which the Sultanate should be justly proud."

NATIONAL ECONOMY

Oman's economy has been transformed by the export of oil since 1967. Traditional exports were dates, limes and fish while, before 1970, imports were limited to basic foodstuffs and simple goods. It is therefore hardly surprising that until 1986 when the oil price tumbled, crude oil accounted for 99% of all exports.

However, by 1994 oil comprised only 38% of the GDP because of the growth in other sectors of the economy. Although Oman has not squandered oil revenues on wasteful projects there has been overspending due to the demands of development and the annual budget deficit has been increasing in recent years. In spite of budget reductions in 1994 the deficit in November of that year stood at RO 495.5 million; however in November 1995 it was down to RO 235 million.

1996 Budget

The 1996 budget projects revenues at RO 1,934 million and total public expenditure at RO 2,152 million with a deficit of RO 218 million. The net oil revenue is calculated at RO 1,473 million. Total recurring expenditure will be RO 1,769 million, of which RO 699 million will go to defence and national security. RO 854 million is allocated to civil ministries and RO 120 million for interest on loans and RO 96 million for Government operating costs in PDO.

As for investment expenditure, out of a total of RO 367 million, RO 135 million will go to civil development, RO 179 million for the Government share of PDO capital expenditure, as well as RO 12 million for gas exploration. RO 28 million is allocated to the human resources development programme.

Total Government contributions to the private sector are projected at RO 16 million.

Budget Cuts

Oman faces the problem that confronts many Governments today of how to slash the deficit without cutting services and social welfare. All budgets for 1996 have been cut, but Health and Education have been less affected in order to maintain a good standard of health and educational services to all citizens throughout the Sultanate.

► New bank notes issued to commemorate last year's 25th Anniversary of His Majesty's accession.



Allocations

Education has the largest budget with current expenditure of RO 154,397,000 and capital expenditure set at RO 1,440,000. Electricity and Water follow with RO 131,877,000 and RO 539,000 respectively, while Health has recurrent expenditure of RO 103,352,000 and capital expenditure of RO 4,508,000. The total recurrent and capital expenditures to civil ministries for 1996 amounts to RO 867,000,000.

Balanced Budget

It is the declared aim of Government to achieve a balanced budget by the end of the new Fifth Five Year Development Plan (1996-2000). The mechanism for achieving this aim includes: increasing Government non-oil revenues gradually, reducing public expenditure without affecting the provision of basic services adversely, enhancing privatisation, encouraging foreign investment, reducing debt service burden by not exceeding the approved ceiling, which amounts to RO 1,500 million, and building Government reserves.

As the World Bank pointed out in its 1995 report, Oman's deficit compares favourably with other Gulf States but there is no room for complacency or carrying on in the hope that the oil price will increase substantially. On the contrary, all the fundamentals indicate that the oil price will remain low for the short to medium term. Furthermore Oman has rather modest oil resources when compared to most of the other AGCC States, but the development of substantial gas reserves, both for export and domestic uses, is the key to Oman's future prosperity.

DEVELOPMENT

Formed in 1975 under the Chairmanship of His Majesty to launch Oman's First Five Year Development Plan, the Development Council aimed at establishing Omani infrastructures, such as Government buildings, power stations and communication centres. The Development Council also aimed at enhancing the role of the private sector that was at an early stage of its growth. In 1980 the Omani Government established the State General Reserve Fund when oil prices were at their highest levels.

The Ministry of Development was established in 1994 with the aim of encouraging a new approach to Oman's needs for the next

phase of development planning, which will depend heavily on foreign investment and private sector participation.

The Second Five Year Development Plan (from 1981-1985) aimed at the completion of infrastructures. The Plan's budget amounted to RO 7.4 billion, but underwent a 7% increase beyond that amount.

The budget of the Third Five Year Development Plan (1986-90) amounted to RO 9.3 billion. Its inception coincided with the steep reduction in oil prices and consequent drop in revenues. The Plan's budget had to be decreased to RO 8.3 billion due to the steep decline in oil prices and revenues. The Government total revenues stood at RO 6.5 billion at that time. In dealing with the shortfall, the Government depended on borrowing, the sale of assets and on the State General Reserve Fund. In 1986 the Omani Government initiated a 10% devaluation in the value of the Omani Rial for the purpose of increasing economic activities and maintaining the provision of basic services to Omani citizens.

In the Fourth Five Year Development Plan (1991-1995) the State General Reserve Fund regained its strength and the Contingency Fund was established to provide an initial source of funding for the public sector deficit. The Plan focused on regional development allocating 60% of funds to projects outside the Muscat Governorate, compared to 34% allocated for that purpose in the Third Plan. Although defence spending had decreased in the Fourth Plan, it still accounted for nearly 40% of the annual budget.

It should be noted that the target of 6.3% average growth in GDP was not met. However, it is more realistic to base the assessment of economic performance on GDP constant prices that constitute better measures for volume of production and standard of living. The preliminary real GDP estimates for 1995 suggested that Oman's growth over the period of the Plan was good, amounting to 3.4%. The non-oil economic sector's contribution to GDP rose during the period of the Plan from 53.6% in 1990 to 65.8% in 1995. Non-oil revenues exceeded the target of 20% GDP contribution set in the Plan, amounting to 26.5% by 1995.

The Fourth Plan targeted the need for human resources development and the expansion of Omani employment as widely as possible. In 1995 Omanisation rates amounted to 67.8% of the Civil Service, 62.6% of the Diwan of Royal Court and 84.1% in public sector corporations. Omanisation was also progressing in certain

►► The Capital's
bustling business
district.





sectors such as oil, banking, insurance and hotels. In 1995 Omanis accounted for nearly 75% of employment in oil companies, 85% in commercial banks, 34% in insurance and 31% in hotels. As of the end of 1995, the total labour force in the Sultanate was 36% Omani, which is expected to rise to 42% during the course of the current Plan (1996-2000).

“OMAN 2020” A Vision for Oman’s Economy

1995 was not only a year for reviewing and celebrating a quarter of a century of achievement, but also the right moment to look forward and formulate a strategic vision for the next 25 years. Vision for Oman’s Economy mainly aims at maintaining the current level of per capita income and at doubling it by the year 2020 while preserving Oman’s values.

Those goals can be reached through the achievement of the following objectives:-

- Preserving the achievements of the past 25 years.

- Development of human resources and upgrading Omanis’ skills and competence needed for generating and managing technological change.

- Creating a stable macro-economic framework.

- Encouraging the establishment of an effective and competitive private sector.

- Providing appropriate conditions for the realisation of economic diversification.

- Enhancing the living standards of the Omani people.

In June 1995, the Vision for Oman’s Economy Conference (Oman 2020) was convened. The Conference paved the way for the formulation of the Fifth Five Year Development Plan, as well as reviewing and approving the Vision for Oman’s economy for the next 25 years. The new Vision entailed calls for limiting the role of Government to strategic guidance and balancing the budget, while the private sector will assume a bigger role in the economy to increase efficiency and competitiveness.

The Vision also entailed calls for privatisation as the driving force of the Omani economy, diversification and the development and training of Omani human resources so that Oman is able to compete in the global economy.

The convening of the Oman 2020 Vision Conference coincided

with Oman being granted observer status in the World Trade Organisation (WTO).

The Fifth Five Year Development Plan

The Fifth Five Year Development Plan (1996-2000) projects that total public expenditure during the period will reach RO 10,630 million. The deficit will be reduced to RO 538 million, compared with the RO 2,247 million deficit of the Fourth Five Year Development Plan. The non-oil revenue is estimated at RO 2,639 million of total revenue compared with the RO 2,111 million non-oil revenue of the previous plan. The current Plan is based on an estimated oil production average of 880,000 barrels a day valued at \$15 per barrel. If oil revenues exceed the projected barrel price of \$15 - \$17, the surplus will be placed in the State General Reserve Fund. Total revenues are expected to increase by 17% from RO 8,614 million to 10,092 million. Oil revenues are expected to constitute 73.9 % of total revenues.

Operating expenditure will amount to RO 8,696 million (81.8% of total Government expenditure) and capital expenditure will amount to RO 1,854 million (17.4 %). Contributions and loans to the private sector will amount to about RO 80 million.

The public debt will be maintained at RO1,500 million over the period of the Plan. It is expected to range between 20-22% of GDP as the latter expands. The aim is to attain a GDP annual average growth rate of 4.6% at current prices and to increase the GDP share of the non-oil sectors to 69% by the year 2000.

Human Resources

The major strategic objectives of the Plan entail the development of human resources and the improvement of skills to keep pace with technological developments. The Plan also aims at the development of an efficient and competitive private sector. Natural resources are to be utilised and the economy will be diversified. Inflation is expected to remain stable at a very low rate -about 1% throughout the period of the Plan. In fact, the rate of inflation has been kept well under control during the last five years. Demand for housing has been a major inflationary factor. However, new construction and housing development have reduced demand and rents are coming down. In the past, commodity prices have fluctuated

under the influence of world prices, but the cost of living index in 1995 was 1.4% lower than in 1994.

Significant changes are expected during the period of the Plan. Financial and administrative procedures will be streamlined to give more flexibility to the Government apparatus. The educational system will also be enhanced to enable graduates to meet the future challenges of development. Students will have the option to select either technical major subjects or general education after completing ten years of schooling.

In May 1996, and as part of the human resources development policies, the Government approved vocational training regulations according to the General National Vocational Qualification (GNVQ) and National Vocational Qualification (NVQ), whereby the Government will pay all training expenses.

First National Census

A major achievement of the Ministry of Development was the undertaking of Oman's first General Census of Population, Housing and Establishments. The results of the Census form the basis for all future economic planning.

The scope of the first Census was more than a survey. Preparations were made at the end of 1993 and the final results were published at the beginning of 1995. In January 1996 the Ministry issued a publication entitled 'The Full Results of the General Census', and the Ministry continues to update its statistics through sample surveys and information provided by other Government authorities.

At the end of 1993 the total population of Oman was 2,018,074, of which 1,483,226 were Omanis (73.5%) and 534,848 were expatriates. The majority of expatriates are concentrated in the Capital area, where they represent 46% of the population. In most other areas of the Sultanate Omanis make up 75% or more of the total population. The Census revealed that 52% of the population is aged 15 or under, while those over the age of 64 constitute only 3% of the population. This indicates a high birth rate of around 3.5% as well as a marked improvement in health standards.

Education has also achieved remarkable progress. Illiteracy among Omanis of the older generation is about 41%, while in the younger generation it has fallen to around 4.5% for males and 21% for females. The Census showed that 86.6% of male and female

children aged 6-11 were attending elementary school, which compares favourably with the situation in other developing countries.

Most of the Omani workforce are employed in the public sector, 55.7% of them in the areas of defence and administration. The Census also showed that 61.3% of Omani homes are owned by their occupants and 35.7% of those homes have piped water supplies; that 87% of homes have electricity; and 93% of them use gas for cooking.

Since the Census, the Ministry has improved its systems of collecting and recording information using the latest technology. The Ministry issues statistical bulletins and other publications on a regular basis in both Arabic and English languages, such as the publication in January this year of 'Basic Components and Main Indicators of the Fifth Five Year Plan (1996-2000).'

Major Projects

Privatisation of wastewater, electricity, water and a few toll road projects are underway. Steps have already been taken to attract local and foreign investment for this purpose. The Commercial Companies Law and the Foreign Capital Investment Law have been amended to allow foreigners to own up to 49% in trust accounts, which will be treated as fully-owned Omani companies, attracting the same tax rates as companies with the right to invest in any sector of the economy. Foreign investors are allowed to own up to 65% of stock in public infrastructure projects that the Government has entrusted to the private sector to undertake. The Development Council can increase this percentage to 100% in certain circumstances.

Following the implementation of the Oman LNG project, several other major projects are expected to be developed with private sector finance, such as the \$700 million petrochemical project and other industries like the Barka desalination plant. All these projects are based on the utilisation of natural gas resources.

In April 1996 Oman signed a RO 8.4 million loan agreement with the Kuwait Fund for Arab Economic Development to construct phase two of the Khasab-Bukha coastal road. When completed in February 1997, the 28 kilometre road will link the Governorate of Musandam to the Oman and UAE road networks. The total cost of the project is estimated at RO 11 million.

BANKING IN THE SULTANATE

The banking system in Oman consists of the Central Bank of Oman and 18 commercial banks of which seven are locally incorporated. There are also three specialist banks:-

The Oman Housing Bank, The Oman Development Bank and the Oman Agriculture and Fisheries Bank. At the end of 1995 there were 276 domestic bank branches in a network covering the entire country and 23 specialist bank branches. In addition there are 11 money exchange institutions licensed by the Central Bank to issue drafts and deal in foreign exchange, as well as 55 money changers for personal and individual transactions only.

For the 25th Anniversary of National Day and to mark the Silver Jubilee last year, the Central Bank issued new legal tender in currency notes of the following denominations:- RO 50, 20, 10, 5, 1 and 0.500, 0.200 and 0.100 baisa. The new currency went into circulation on 1st November alongside the old which will be withdrawn gradually but will remain as legal tender until further notice. By the end of the year the new notes made up about a quarter of the currency in circulation. At the same time the Central Bank issued a set of 20 commemorative coins depicting the old and new buildings of Oman - forts and castles and modern architecture. The coins are minted in both gold and silver and may be purchased from the Central Bank.

The capital of the Central Bank of Oman is RO 200 million, while the assets amounted to RO 912.4 million at the end of 1995. The total currency in circulation at the end of the year was RO 262.1 million.

Training & Omanisation

In order to meet the training and Omanisation requirements of the banking sector, the Omani Banking Institute has been established and has played a leading role in increasing the number of Omanis working in the sector. The Central Bank monitors the progress made by the commercial banks with Omanisation and in July last year issued a circular stipulating that by the year 2001, at least 75% of senior and middle management positions should be held by Omanis. In the clerical grades 95% of staff should be Omanised and 100% in all other grades. At the end of last year 85% of all positions were held by Omanis which is a considerable achievement for the banking sector in general.

Oman Development Bank

The Oman Development Bank (ODB) plays an important part in implementing Government measures aimed at encouraging greater

private participation in the development of the country. Since it was formed in 1979, ODB has financed 541 development projects by granting loans worth RO 108 million to the private sector. It has doubled its share capital to RO 20 million. The ODB cannot lend at one time more than a tenth of its net worth of RO 20 million capital and reserves and has therefore requested the Government to consider its loans to the Bank, amounting to RO 16 million, as subordinate loans, making them part of the institution's net worth.

54% of the shares are owned by Government , 6% by Omani individuals and organisations, and 40% by regional and international institutions. In 1995 ODB financed some 70 industrial and service projects, worth RO 131 million, to which the Bank contributed RO 18 million in loans. Of these projects, 61% were in the industrial sector and the remaining 39% in the service sector.

Commercial Banking

The total value of the assets of the commercial banks amounted to RO 2,047.5 million at the end of 1995. Total credits offered by the banks were RO 1,406.7 million, of which RO 1,377.5 million were for the private sector and the rest for the Government and other institutions. This was an increase of 11.5% on the 1994 figure of RO 1,260.665 million. The commercial bank's investments in Government Development Bonds amounted to RO 40.7 million, while its investments in local treasury bills (at cost price) were RO 20.1 million. Total deposits came to RO 1,417.7 million at the end of the year, of which RO 1,189.5 million were from the private sector and the rest from Government and other institutions. Retained profits and allocations amounted to RO 145.2 million at the end of 1995, while the capital of the commercial banks amounted to RO 174.9 million.

Development Bonds

In March this year the Central Bank launched the 15th issue of Government Development Bonds. The offer, which closed in April, was open to both foreigners and Omani nationals. The three year bonds carry a dividend of 8% and were issued in RO 100 denominations. Investors will receive their dividends every six months. The Central Bank introduced its first issue of Development Bonds in 1991 and they have proved to be a most attractive investment.

The Central Bank of Oman has enacted a number of rules and regulations in order to keep tight control of banking practices. In March this year a cautionary notice was issued warning the public of the risks of dealing with unlicensed investment salesmen.

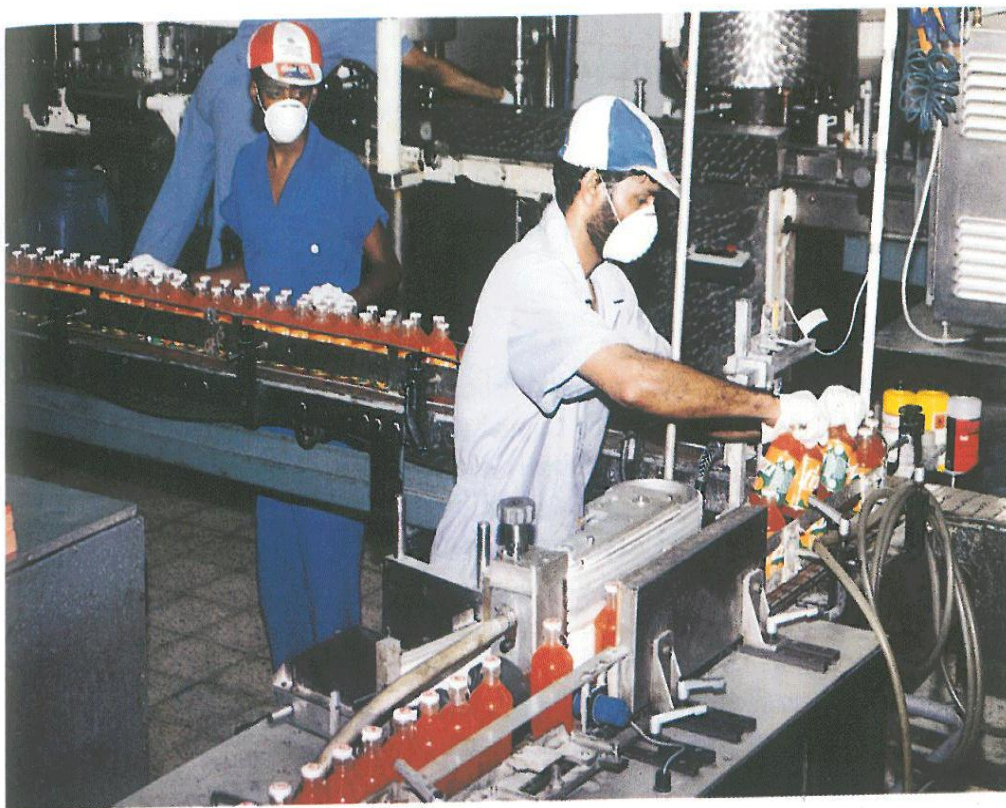
COMMERCE & INDUSTRY

Government policy is to create a national economy based on private enterprise in a competitive environment devoid of monopolistic practices. A stage has now been reached where the basic physical infrastructure of the country is in place and in order to further the socio-economic development of Oman, it is essential to build up a strong, efficient and competitive private sector with the help of Government incentives and some financial assistance where necessary in order to stimulate rapid growth, particularly in areas of production and commerce hitherto unknown in Oman. One of the incentives is the annual award of His Majesty the Sultan's Cup for Industry. Last year the five winners were the Oman Cement Company, the Raysut Cement Company, Oman Flour Mills, Oman Textiles Company and National Aluminium Products Company. Certificates were also awarded to Sadolin Paints Company, National Detergent Company, Amiantit Oman Company, Dairy Products Company and Oman Cables Industry.

Manufacturing growth rates in the Fourth Five-Year Plan were set at 12.9%; but the actual rate during the Plan was more like 11.5%. It is hoped to increase the growth rate of the productive sectors during the current Plan. For manufacturing industry an annual growth rate of 13% has been set, in order to increase its share of GDP to 6.7% by the year 2000. This will require an investment of around RO 420 million, which should be feasible over the five-year period; although it may be unrealistic to see all the projects envisaged completed within the current planning phase.

Major Projects

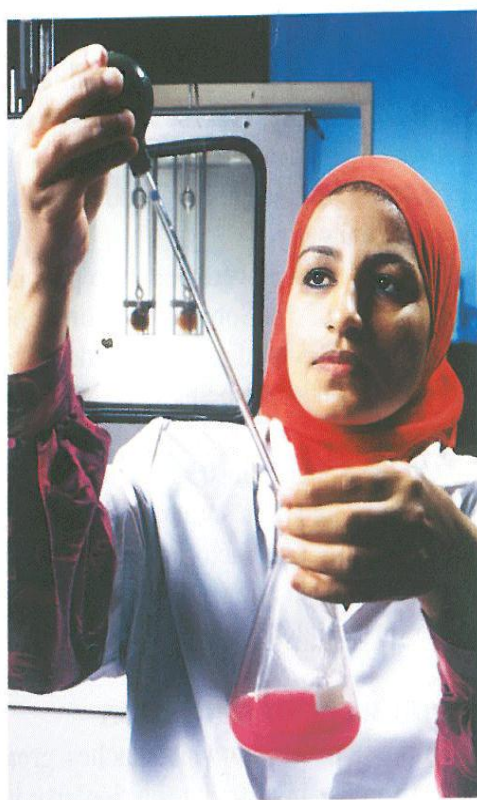
There are at least three major projects under active consideration which would require a total capital investment of well over RO 1,000 million, namely a Urea Fertilizer Plant for the Indian export market, a 360,000 tonnes capacity Aluminium Smelter and a 260,000 tonnes Petrochemical Plant. The three projects will probably be located on the Sohar Industrial Estate. These and other projects will be dependent on sufficient supplies of natural gas which are now being developed. Expansion of existing industries will probably require about RO 150 million and new light



▲ Oman's economy is being rapidly diversified.

► A laboratory technician tests the quality of a lubricant, Rusayl Industrial Estate.

industries another RO 150-200 million. The cement industry is one of the successful existing projects in Oman to be expanded this year. The current capacity is 2,000 tonnes of clinker per day giving production of 600,000 tonnes per year. The Oman Cement Company (OCC) plans to double this capacity so as to reach 1.2 million tonnes of clinker per year at the beginning of 1998. The contract for the expansion project will cost RO 39.6 million.



OCC is a 63% government owned company with the remaining 37% of the shares issued to the public. Most of the increased production will be needed locally but any over-capacity will be exported.

The Raysut Cement Company also intends to increase production capacity from 210,000 tonnes per year to 710,000 tonnes per year.

Industrial Estates

Oman's first industrial estate was established at Rusayl in 1983. It is situated about 45kms from the Capital area and the port of Mina Sultan Qaboos. It is conveniently placed close to Seeb Airport and has its own gas fuelled power station and water supply. Amongst the many other services provided, an important feature is the nearby housing complex for the workforce complete with shops, supermarket, cinema and mosque. There are currently 81 factories in production and 15 more under construction, including Oman's first copper factory which will manufacture copper tubing for plumbing and refrigeration piping used in the building industry. Another first for Oman last year was the opening of the Omani Date Flake Factory at Rusayl. Oman has a long history of growing and processing dates, but using new techniques the factory will produce date syrup as well as the flakes which are an excellent food fibre and basic ingredient for the manufacture of confectionery and other consumer products both in Oman and for export. The factory is expected to produce about 2,500 tonnes of flakes and 15,000 tonnes of syrup annually.

In 1987 studies were begun to plan and design two more industrial estates, one at Sohar in the north and the other at Raysut in the south. In 1993 studies were made to build an industrial estate at Nizwa and plans are being laid for other estates at Sur, Khasab and al-Buraimi.

On the Sohar industrial estate there are currently 12 factories in production and nine others under construction, while at Raysut there are now five factories in production and 13 others are under construction. At Nizwa, Phase 1 (26 hectares) of the infrastructure has been completed.

Commercial Legislation

Since the Government attaches great importance to attracting direct foreign investment, particularly in the industrial sector, it is

now possible, depending on the merits of the manufacturing project to have 100% foreign investment. In order to increase the attraction of investing in Oman, several steps have been taken to make the legal frame-work and regulations more investor friendly.

A new Foreign Capital Investment Law was promulgated in 1994. Foreign investment is permitted in Omani companies with capital of less than RO 150,000 as long as the foreign share does not exceed 49% of this capital. However foreign investment of up to 65% may be permitted by the Minister of Commerce and Industry on the recommendation of the Committee for Foreign Capital Investment. The Committee will take into account a number of considerations such as the use of local products and raw materials or the use of new technology and the involvement of multinational corporations.

In the tourism sector, preference will be given to projects creating tourist villages or zones. Provided such a project contributes to the national economy and that its capital is not less than RO 500,000, it may be financed entirely by foreign investment.

Citizens of AGCC countries are allowed to hold shares totalling up to 25% of the capital in existing Omani-owned public joint-stock companies, provided that approval is given at an annual general meeting of the company. However in new public joint-stock companies capital held by AGCC citizens is limited to 49%.

The potential investor is protected by the law which stipulates that projects having foreign investment shall neither be confiscated nor expropriated, except in the public interest and on payment of compensation. Furthermore any disputes that may arise can be settled by local or international arbitration with the mutual agreement of the parties concerned. Land for projects will be provided either by a grant of rights or long term lease agreement.

In order to speed up procedures the Ministry is actively pursuing the establishment of a 'one stop shop' for investors where all the necessary clearances may be obtained together.

Copyright Law

Oman has introduced a copyright law under Royal Decree No. 47/96 issued on 11th June this year based on internationally accepted laws. The new law will provide copyright protection to everyone involved in the creative field. Musicians singers, writers,

producers of audio and video programmes are among those who will be protected by the law. This law supplements the existing Omani Trademark Law and will help to maintain international and ethical standards in the Sultanate.

Industrial Development Department

The Industrial Development Department was set up in 1988 to support Oman's industrial drive. It provides advisory and information services and runs training programmes for Omani managers. It carries out diagnostic studies on 'sick' industries and has introduced a computer programme (QMA-Quick Management Analysis) to carry out sectoral studies in order to analyse performance and store information about industries according to their type or sector.

TOURISM

Tourism in Oman is in the early stages of development, which is hardly surprising in a country that has had no concept or tradition of tourism. However it is now being actively encouraged by Government in order to earn foreign exchange, diversify the economy and create employment opportunities for Omanis in the years to come. In May this year the First Arabian Travel Market Conference was held in Oman at the al-Bustan Palace Hotel. The conference, which was attended by some 150 delegates from the United States, Europe and Asia, aimed successfully at promoting Oman as a distinctive tourist location, where the natural beauty and unspoiled environment of the Sultanate would attract a growing demand for exclusive holidays.

The emphasis is on 'quality' with a selective strategy aimed at attracting the more affluent tourists from Europe and Asia, thus avoiding the negative aspects of mass tourism. Oman has much to offer this kind of tourist during the winter months, but more hotel accommodation is required for the high season between October and April, and more hotel accommodation is planned to meet this growing demand.

The private sector is being encouraged to take the initiative in developing tourism. The Government is arranging for soft loans, doing part of the promotion and assisting in leasing the land for

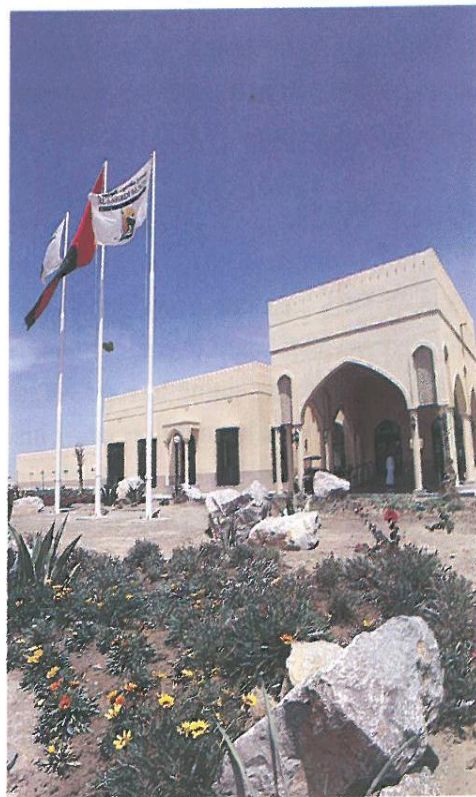


▲ Tasteful modern lighting complements Nizwa's traditional souq (market).

► The newly-opened Sawadi Beach Resort Hotel on the Batinah Coast.

strategic tourism projects. To this end all hotels will eventually be in private hands apart from the al-Bustan Palace Hotel, which also serves as a guest palace for meetings such as the 16th AGCC summit.

Omani companies and investors will be invited to bid for one or more of the hotels offered for privatisation. Preference will be given to joint stock companies, so that there will be more opportunity for the general public to benefit.



As well as hotels other projects are being undertaken. The Marina Bander al-Rowdha at Sidab was completed in March this year at a cost of around RO 4 million and was the venue for Oman's first Grand Prix Powerboat Race and the President's Cup Regatta. This project received a soft loan of RO 1 million from Government. At the end of last year the Dhofar Hotel in Salalah was opened and it is already planned to increase its capacity to 247 rooms and provide some 20 hotel flats in the grounds. Due for completion this year is the Hyatt Hotel at al-Qurum. As part of the master plan, al-Sawadi Beach Resort was opened in March. It has 100 rooms, two restaurants and a variety of recreational activities.

Other hotel projects along the northern coast at Yiti and Bandar Khairan are planned. Further down the coast a major summer beach resort will be built near the fishing centre of al-Ashkarah which can now be reached easily from Muscat on a good hard-top road.

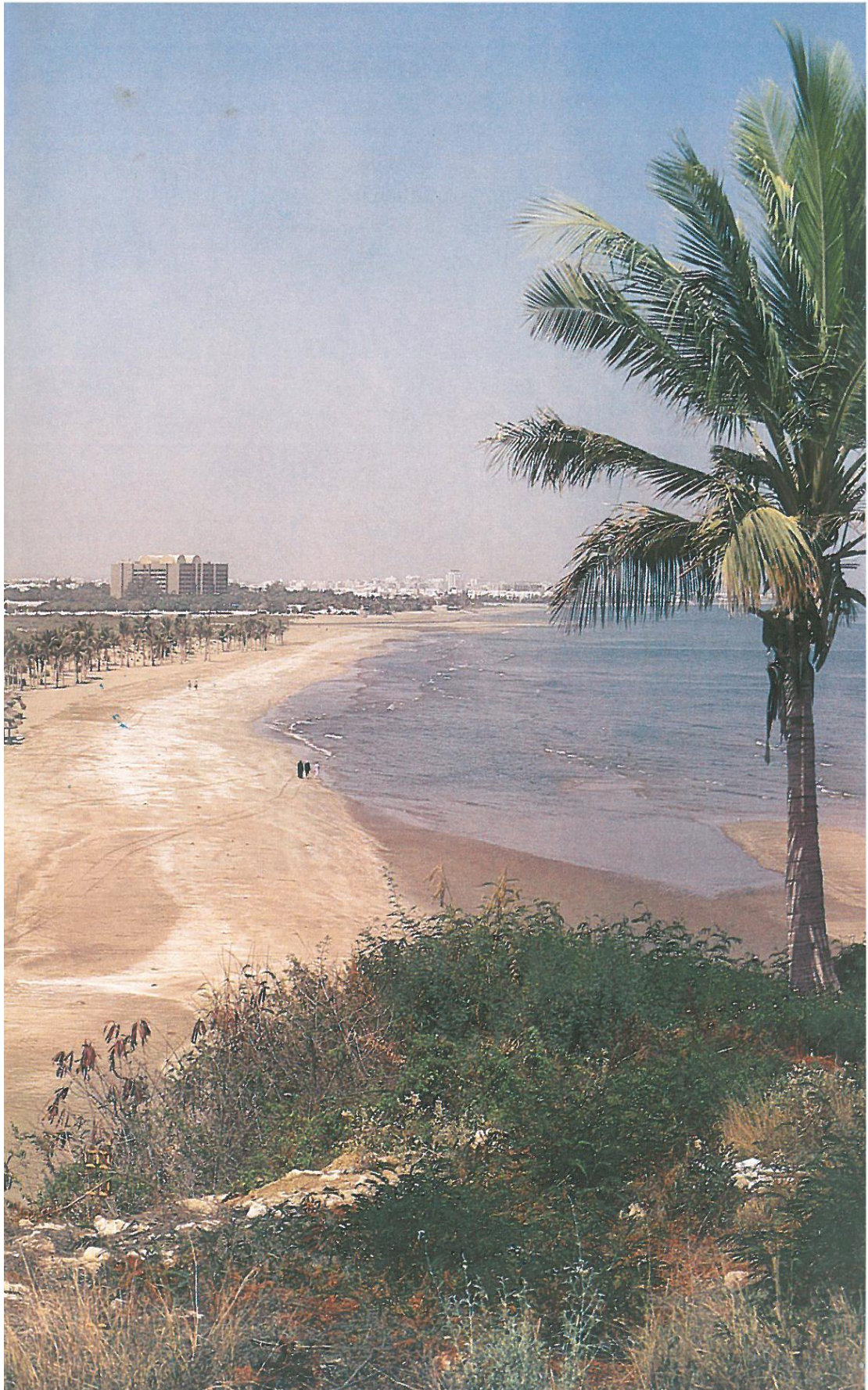
This year the number of hotels, motels and resthouses totalled 50, compared to 32 in 1991. It is well understood that the private sector will need to receive incentives to invest in tourism because of the lack of short term returns. It is hoped that the private sector will develop 'apart-hotels' where families can stay in service apartments. This will help ease the shortage of hotel rooms. The present target is to have 10,000 rooms by the year 2005.

Entry Visas

The Government has also made it easier for tourists to obtain visas. AGCC citizens from Qatar and the United Arab Emirates only require an ID card to enter Oman. The Ministry of Commerce and Industry is also going to regulate tourist guides, who in future will be required to have a licence. This Ministerial Decision aims at encouraging professionalism in the industry as well as providing career opportunities for Omanis who will be encouraged to learn foreign languages so as to replace foreign tour guides. In January this year the National Hospitality Institute was opened to receive Omanis for training in the hotel industry. The Institute is a public company quoted on the Omani Stock exchange.

In many areas of Oman the local municipalities, often in conjunction with the private sector have been establishing parks,

► One of
Oman's many
unspoilt
beaches.







◀ Old and new. Modern yachts race off Oman's coast while others prefer a more traditional design.

▲ The newly opened Marina Bander al-Rowdha near the Capital where large yachts can be accommodated.

gardens and beach facilities, such as the recently opened Kalbuh Beach Park to offer leisure facilities to Omanis and their families.

For the more adventurous there are opportunities for rock climbing, ballooning and exploration of the more rugged areas of the Interior.

During the course of the Fourth Five-Year Plan (1991-1995), hotel occupancy and revenue have gradually increased. In 1995 the average occupancy rate was 52%, but approaching full capacity in the winter months, and the revenue generated was RO 35,140,867. The total number of guests accommodated during the year was 352,181. In 1991 some 80% of hotel staff were expatriate and less than 20% Omani, while at the end of 1995 the ratio was 31% Omani and 69% expatriate.

THE OMAN CHAMBER OF COMMERCE & INDUSTRY (OCCI)

The Oman Chamber of Commerce & Industry was set up in 1973 to promote and protect the economic interests of the country as well as to encourage industrial and commercial development in

the Sultanate through the private sector. The head office is in Ruwi with branches in Ibra, Ibri, Khasab, Nizwa, Salalah, Sur, Sohar and al-Buraimi. The Chamber has also opened an Oman Trade Office in Taipei and Johannesburg. At the end of 1994, over 64,000 companies were members of the Chamber, which is financed from subscriptions and services provided. These include documentation of commodities, legalisation of papers, and international certificates of origin (except for goods exported to AGCC countries which are handled by the Ministry) as well as economic research, export marketing and general business information. The Chamber also tackles commercial disputes between companies and is electronically linked to the Industrial & Technological Information Bank (INTIB) of the United Nations Industrial Development Organisation (UNIDO).

Training & Omanisation

The Chamber has an important training role and organises a variety of seminars, courses and programmes, all of which help to upgrade business skills and give experience to the private sector. In 1994 there were 526,000 expatriate employees in Oman. By January this year the figure had risen to 619,000. Looking to the future of Oman's economic performance, much emphasis is, however, placed on Omanisation and the drive to train the increasing number of young Omanis graduating from secondary school. At the end of last year a total of 62,000 Omani students had graduated from higher education. This figure is expected to increase to 82,000 by the year 2000. Omanisation has progressed well in the public sector and some other organisations like the banks and PDO and to a significant degree in much of the rest of the private sector. However, there still remains considerable scope for the process to continue to expand, and this is being given high priority by the Sultanate's Government.

Business Management College

At the end of last year the Chamber opened the Administrative Sciences College in Darsait. The College currently has 145 male and female students. Among the subjects taught are English, accountancy, business administration, marketing and data systems.



▲ Muscat Securities Market.

The College plans to expand its capacity to 1000 students by the end of the year 2000

Quality Management

The Chamber is also putting great emphasis on quality and standards. It is well appreciated that local industries will only be able to survive and hold their own in an increasingly competitive international environment by developing high quality products which conform to international standards of excellence, giving meaning to the label 'Made in Oman'. Oman currently has observer status in the World Trade Organisation; but the private sector has a major challenge ahead of it, if Oman is to seek full membership at some point in the future.

MUSCAT SECURITIES MARKET

Oman's Stock Exchange, which opened in 1989, is a symbol of the country's drive towards privatisation. By the year 2000 perhaps as much as 20% of the population will be shareholders. At the present moment the figure is around 6.25% (125,000 shareholders) and

interest in holding shares is growing with new issues being over-subscribed. The average dividend yield has been about 10% and the price/earnings ratio is low compared with other markets. No taxes on dividends are levied in Oman.

The Foreign Investment Law of 1993 allowed AGCC nationals to hold 25% of the shares in Omani joint stock companies formed before October 1993 and 49% of the capital of companies formed after that date. For tax purposes such companies are considered to be 100% Omani companies. In 1994 further amendments were made to the Law to allow financial institutions to establish and manage certain investment funds. Foreigners may invest up to 49% in such funds and manage them without incurring additional tax liability other than corporate tax. Later amendments to the Law mean that up to 100% foreign investment may be permitted in local companies which contribute to development projects.

At the end of last year there were 115 banks and companies with capital of RO 534.8 million trading their shares, compared with less than 75 when the Market opened. The index, which has a base of 100 points, closed at a record 158.13, compared with 146.5 at the end of 1994. About 10.63% of the Markets' capitalisation of RO 1.3 billion is in foreign investment; of which 5.42% is in the AGCC and 5.21% outside the Gulf and mainly in Europe.

The Muscat Securities Market has strict rules and regulations to check any malpractice or insider trading. No share price is allowed to fluctuate up or down by more than 10% in one trading session. External factors such as the rise and fall of the dollar or crises in other financial markets have not affected trading in Muscat, making the risk of a stock market crash or financial scandal most unlikely.

During 1995 the Oman and Bahrain stock markets joined forces and the Oman Cement Company became the first joint stock company to be listed on both exchanges. It is conceivable that this agreement will form the nucleus for a common AGCC financial market. Bahrain is one of only two countries in the region which allows investors from other Gulf states to own up to 49% of shares in the companies listed.

OIL AND GAS

The first oil concession in Oman was granted in 1925 to the D'Arcy Exploration Company, but after disappointing results the licence was allowed to lapse. In 1937 a new concession was awarded to the Iraq Petroleum Company, but it was not until after the second world war that exploration began in earnest. Again the results were unsatisfactory and all the partners in the venture apart from Shell and Partex pulled out in 1960. In 1962 oil was discovered at Yibal and at Natih in 1963. When oil was found at Fahud in the following year it was decided to develop the fields and commercial exports began in August 1967.

Oil Production

Since 1970 many other fields have been found and developed by Petroleum Development Oman (PDO). At the end of 1995 production had risen to an average of 803,000 barrels a day from eighty-six fields, compared with 300,000 barrels a day in 1970 from only four fields. In 1974 the Government acquired 60% of PDO under the terms of the Participation Agreement. As PDO relinquished acreage other international companies were invited to enter into production sharing agreements with the Government. In July 1995 CFP (Total), a shareholder in PDO since 1967, signed a new agreement with the Government to explore for oil in the central region (Siwan block 4). The Government also signed an agreement with a consortium led by Elf for block 33 to the north of the existing Elf Butabul concession area, bringing the total number of agreements signed to eleven, 3 of which have resulted in commercial discoveries. In 1980 Elf began producing from two small fields and was followed by OXY and Japex. The oil from these companies which accounts for between 6 and 8% of Oman's total oil production, is transported and exported via the PDO facilities.

1995 was a record year for oil production which averaged 853 thousand barrels a day from 93 fields. It is expected that oil production will again increase this year to around 880 thousand barrels a day.

Recoverable oil reserves are estimated at 5.2 billion barrels. An additional 3.0 billion barrels could be recovered but at a higher



cost. Oman's oil is relatively expensive to extract and the average well produces less than 500 barrels a day, whereas wells in neighbouring countries produce 5,000 or more barrels a day.

▲ The newly opened Oil Exhibition Centre at PDO.

Crude Oil Exports

There was a 13.9% increase in crude oil exports during 1995. Total exports were 261,326 million barrels compared to 229,527 million barrels in 1994.

It is the policy of the Ministry of Petroleum and Minerals to restrict production to a level that does not exceed 6.5% of remaining reserves per annum. This means that the current level of production can be sustained for at least 10 years.

All Oman's crude oil is exported from the oil terminal at Mina al-Fahal. Most of it goes to the Far East with Japan, Korea and China being the major importers during 1995.

The average price of Omani crude oil rose by 8% in 1995 to \$16.39 per barrel. The average price in 1994 was \$15.17 per barrel.

All refined products used to be imported into Oman, until 1982 when the Oman Refinery at Mina al-Fahal came on stream with a

► Exploration is a vital part of Oman's petroleum and minerals industry.

► Oil exporting facilities at Mina al-Fahal.



capacity of 50,000 barrels a day. This was increased in 1987 to 80,000 barrels day to meet the needs of the local market. There are plans to further expand the refinery and to produce unleaded petrol which is currently unavailable in Oman.

Retail Market

Until recently all the products of the Oman Refinery Company were marketed through the Shell and BP retail networks. Shell has 115 service stations and BP 74, which are owned and run by Omani dealers. Neither company is allowed to establish any new sites so as to allow the Oman Refinery Company to distribute fuels through its own newly established marketing company with the brand name al-Maha and the national colours for its livery. At the end of February al-Maha opened its third service station at Izz. It is expected that another 12 stations will be in operation by the end of the year.

Some lubricants still have to be imported but since the setting up of a lubricants blending plant at Mina al-Fahal, the Oman Lubricants Company, which is a private sector joint venture, has been able to supply most of the needs of the Sultanate as well as exporting to neighbouring countries.

The Oman Oil Company

The Government established the wholly state-owned Oman Oil Company in the late eighties with the intention of entering into foreign joint ventures and oil trading operations. Protocols have been signed for a number of projects. All the operations of the Oman Oil Company are currently under review.

Training & Omanisation

The oil industry is a capital rather than labour intensive industry, but human resources are of the utmost importance. PDO has a long record of training Omanis and has made good progress with Omanisation. Nearly three quarters of its employees are Omani and a target of 84% by 1999 has been set.

Some \$ 24m a year is spent on training and at any one time about 750 Omanis are undergoing courses at all levels in Oman and overseas.

► 303 new wells were drilled in 1995 with a total depth of 393,770 metres.



NATURAL GAS

The Oman LNG (Liquefied Natural Gas) project forms an integral part of the Sultanate's strategic and economic vision of the future. It is not only the biggest development project ever undertaken in Oman, but it is also one of the largest in the world. It is expected that the project will come on stream in the year 2000 with a first phase capacity of 6.2 million tons per year at a cost of around \$6 billion. Foreign banks will finance about 80% of this figure with the rest of the finance being provided by the shareholders in the project. The final investment decision is expected to be made in August this year.

It is projected that the venture will increase Oman's oil and gas revenues by 20% . Bids for the construction work were invited in May 1995 and the Engineering Procurement Construction contractor has now been selected. Negotiations continue to market the gas in the Far East initially; but gas may also be exported to Europe in future as demand grows.

In March this year an agreement was signed with the Korean Gas Corporation (KGC) to buy an annual 4 million tonnes of LNG and an initial understanding was reached with the state-owned Petroleum Authority of Thailand to take a further 2 million tonnes a year. The first shipments are expected in the year 2000. KGC intends to transport the gas with its own tanker fleet, which will mean that Oman LNG will have a smaller fleet to start with than was originally envisaged. KGC is expected to take a 5% shareholding in the ONLG venture.

Project Development

The gas fields in central Oman are being developed for the Government by PDO. Current expectation of reserves of gas stands at 27 trillion cubic feet, of which 24.5 TCF are non-associated reserves, but preliminary surveys indicate that this may well be increased to between 35 and 45 trillion cubic feet. A pipeline will be constructed from the fields to Sur. The actual site of the plant and terminal will be at al-Ghalilah, 10 kms north of Sur.

The shareholders in the project are the Government 51%, Shell 34%, Total 6%, Oman Partex 2%, Mitsubishi 3%, Mitsui 3% and Itochu 1%. (Korea will take 5% of the private shareholding.)

MINERALS

Minerals played an important part in Oman's ancient economy. Copper was mined from several sites about 5000 years ago. During the Iron Age in 1000 BC, copper was extracted from a mine at Lasail in the Wadi Jizzi near to Sohar. This deposit was reworked in 1983 by the Oman Mining Company. Cumulative production and reserves from Lasail and two other mines in the same area amounted to 19.2 million tonnes until all three mines were depleted in 1994. As part of the copper project the Oman Mining Company built a smelter adjacent to the mining sites which has produced over 200,000 tonnes of copper cathodes since it went into production in 1983. At the present time copper ore is imported, refined and re-exported from the Sohar terminal. Copper ore deposits have been found at Rakkah and Hayl al-Safil in the Wilayat of Yanqul about 275 km from the smelter. According to a pre-feasibility study there are probable reserves of 15.2 million tonnes. The ore which has not yet been mined will be converted into concentrate on site and then transported to Sohar for refining and export.

The Oman Mining Company was established originally as a joint venture with the private sector but is now entirely state-owned. With the promise of further deposits to be developed the Government is hopeful that the company will eventually be privatised, but such a decision will depend on the state of the international commodity market and the world price of minerals like copper.

In 1994 a processing plant to produce gold from the copper oxide deposits near Yanqul was built and production began later in the year. In 1995 production was slightly less than 500 kilograms of gold and 70 kilograms of silver. Since then two new deposits have been discovered which will extend the life of the project by another five years. The Oman Chromite Company was formed in 1991 and currently exports chromite to Japan and China. Chromite reserves are put at two million tonnes and annual production is in the order of 6,000 tonnes.

Coal deposits with reserves of over 122 million tonnes have been discovered in the Wadi Muswa and Wadi Fisaw areas of the Sharqiya near Sur. Laboratory studies have confirmed that Omani coal from the al-Kamil field is of good quality with a high calorific



energy content. It is well suited for use as a fuel for electricity generation and could be used to provide the energy for a 300Mw generator over a period of some forty years using 600,000 tonnes annually. The coal, which will be extracted by open cast mining, might also be exported to India for electricity generation or the production of cement. In November 1995 the Ministry conducted a workshop on investment opportunities in the

◀ A 250-gram block of refined gold, the first produced in Oman by the Oman Mining Company.

exploitation and utilisation of the Sharqiya coal deposits with the aim of attracting the private sector which would be expected to invest an estimated \$36.7 million in the project. Oman has large resources of industrial rocks and minerals, some of which are already being exploited. They include silica sand, dolomite, limestone, gypsum, ornamental stone, clays, rockwool, ironoxides, heavy sands, wollastonite, guano, celestite, asbestos, aggregate, laterite and barite.

The Oman Glass Company has been established to develop the silica sand deposits in Central Oman and there are no less than four separate companies extracting marble. Studies have been made of the Shuwaymiya gypsum deposits which are of high quality and close to the coast, which would thus facilitate their export. The Directorate General of Minerals is investigating a number of other mineral deposits and has implemented a systematic programme of developing and exploiting the mineral wealth of the Sultanate. The entire country has been geologically mapped on a scale of 1:250,000. Detailed mapping on a scale of 1:100,000 and 1:50,000 has been carried out on selected areas with mineral potential and the latest geophysical and remote sensing techniques are being employed in the current exploration programme.

AGRICULTURE

Although many other employment opportunities have been created with the diversification and development in other sectors of the economy, well over half the population is still engaged in the agriculture and fisheries industry. According to the most recent survey, 787,300 people hold cultivable land (56,000 hectares) and the total number of agricultural workers is put at just under 200,000. A large percentage of the population live in rural areas and many others own land and property in the countryside even though they live and work in the towns. It is a major challenge for the Government to prevent a rural exodus by setting up programmes of rural education and to ensure that communities make the best use of limited water resources for maximum productivity. The protection of agricultural land is a major concern of the Ministry. In 1995 a single flood protection barrier in the Wilayat of Ibri cost RO 646,000. This kind of barrier, which is 1.6 kilometres in length and three and a half metres high, is essential to prevent erosion and loss of valuable agricultural land.

Self-sufficiency in food production

It is the aim of the Ministry to achieve complete self-sufficiency in food production and so far a figure of 44% has been reached. It is hoped that by the year 2000 this may have increased to 55%. With a population that is increasing annually at a rate of more than 3%, previous estimates and hopes of self-sufficiency in food production have had to be revised.

Agriculture and fisheries are Oman's main non-oil exports. The value of these exports has been increasing in recent years from RO 35.5 million in 1992 to RO 50.3 million in 1994 representing an increase of 11.5 % on the previous year when the value of exports was RO 45 million. Over the last three years agriculture and fisheries have accounted for an average 35% of Oman's non-oil exports.

During the Fourth Five-Year Plan considerable progress was made with improvements to agricultural produce and livestock. New research stations were established and existing ones renovated. Modern farming and irrigation methods were also introduced.



Livestock

Oman is a leading livestock producer in the Arabian peninsula with around 183,000 sheep, 153,000 goats, 225,000 cattle and 71,000 camels. Immunisation and welfare of livestock are an important element of the Ministry's livestock programme. A nationwide campaign costing over RO 4 million was begun in 1992, the aim of which is to immunise all livestock against common animal diseases. In March this year the Government stated that there had been no cases of BSE in Oman. Strict monitoring controls are operated by Government. Two animals imported from the UK, found to be affected on arrival some years before had been destroyed immediately. The Ministry also exercises strict control over the import of all domestic animals and exotic species for which a certificate is required. Such regulations are necessary in the interests of public health.

In conjunction with the Ministry of Regional Municipalities and the Environment adherence to the regulations imposed by CITES (Convention for International Trade on Endangered Species) is implemented by the Ministry on the import of certain animals and birds.

▲ Cattle thrive on mountain pastures.

Local production of 2,757 tonnes of beef and 3,086 tonnes of mutton does not yet meet local needs, but there are plans to increase not only meat production but also egg and poultry production by building 1,640 small-scale egg farms and 234 poultry farms. The Ministry aims to increase milk production and management of dairy herds by giving farmers assistance and equipment as well as introducing modern techniques of artificial insemination. During the Fifth Five-Year Plan it is expected that exports of fish and agricultural produce will increase substantially when these and a number of other projects have been completed, such as the new fishing harbours currently under construction.

Water resources

Water resources are critical to the future of agricultural development in Oman which lies in an arid part of the world. Although much of the country is desert or semi-desert, the mountains attract rainfall which is retained in the limestone formations in the north; while in the south the Dhofar range and coastal plain catch the regular light monsoon rains from June to September. The Ministry works closely with the Ministry of Water Resources to ensure that the best use is made of available water resources.

The Ministry encourages modern methods of irrigation to save water. Fruit and vegetables to be planted are chosen carefully for their qualities and amount of water needed. The Ministry gives advice and provides seeds, insecticides, fertilisers and other agricultural assistance in order to raise productivity, and it encourages the use of drought resistant fodder crops and the local production of animal fodder concentrate from fish and plant waste.

HM the Sultan's Award

In order to encourage farmers, His Majesty the Sultan has instituted the annual award of a cup to the Wilayat showing the best overall agricultural performance. This is coupled with a cash prize and a number of other awards for special categories.

Government Subsidies

Government subsidies are used to transfer technology to the farmer and train him in modern methods as well as to give him guidance and advice. The amount of subsidy allocated during the Fourth Five-Year plan was RO 6.4 million for agricultural

machinery in addition to seeds, fertiliser and other necessities. Subsidies for livestock amounted to RO 4.3 million and included assistance to small goat and poultry farms. Subsidies were also approved for modern irrigation projects making the total spent on agriculture during the plan RO 17.7 million.

Wheat which was a traditional Omani crop in parts of the Sultanate is grown less these days and does not take up more than 315 hectares of cultivable land. The annual production of grain is 1,000 tonnes. Prices of imported wheat are a great deal less than the locally grown produce. The emphasis is on cultivating crops that give a good return. However, because wheat is a strategically important crop, the Ministry conducts a research programme so that it could be grown in future if the need arises.

Date cultivation

Renewed interest is being paid to dates, which were Oman's largest export in the 19th century. About 10 million date palms thrive along the Batinah coastal strip and in the gardens of the Interior. They occupy about 60% of the cultivable land and produce high yields of good quality fruit. Annual production of dates is estimated to be between 150,000 and 175,000 tonnes. The Ministry has a department of date research which is actively involved in cloning seedlings to further improve quality and productivity.

Coconut Palms

In the climate of Dhofar, coconuts take up 396 hectares of cultivable land with an annual production of 6,847 tonnes, of which 1,700 tonnes are exported. The rest are consumed locally. The crop is not sufficient to set up a manufacturing industry, but the Ministry has studied the possibility of a processing plant to produce long-life pasteurised coconut milk, as well as the manufacture of charcoal and fertiliser, but this would require 320 hectares of land, producing 3 million coconuts to be viable. There is currently great demand in the market for fresh coconuts and therefore there is no surplus to be processed.

Bee-keeping

Bee-keeping is a traditional Omani rural craft which is being kept alive and encouraged by the Ministry through training courses. The honey produced is a high-value product. Another traditional



▲ Some of Oman's superb produce marketed by PAMAP.

product is frankincense which is collected from trees growing wild in Dhofar.

Research

The Ministry carries out many research projects including ways of improving the environment by planting suitable trees, which provide shade from the sun and shelter from wind and sand. At the start of the year the Agricultural Research Station at Nizwa planted 1,000 trees over an area of 95 acres. Laboratory tests showed that the trees planted are drought-resistant and can rely on seasonal rainfall to survive. The Ministry has earmarked other areas for similar afforestation in order to improve air quality and increase planted areas of Oman.

Greenhouse Farming

There is only one hydroponics farm in the Sultanate, but there are 42 hectares of 'greenhouses', which are set to increase in the next few years. This modern technique for protecting plants and conserving scarce water resources is being researched and actively encouraged by the Ministry.

The Oman Agriculture & Fisheries Bank

In March this year the Bank approved three loans worth RO 683,180 for agricultural and poultry breeding projects. In 1995 the Bank granted 564 loans worth RO 2,219,332 million. Since the Bank was formed in 1981, with capital of RO 19 million, it has granted a total of 14,314 loans worth over RO 51 million. The agricultural sector accounted for 69% of these loans (9,391 loans worth RO 35 million), while the fisheries sector received 4,923 loans worth RO 16 million.

PAMAP

The Public Authority for Marketing Agricultural Produce (PAMAP) was established in 1981 with the aim of encouraging farmers to increase productivity by creating a market for their produce, by making fruit and vegetables available in local markets at reasonable prices acceptable to both producer and consumer, and by raising the standard of produce in terms of quality and quantity. The trade name and logo for Omani produce is 'Green Oman'.

PAMAP set up a marketing network consisting of six distribution centres and 14 collection centres with its head office at Ghala in the Capital area. All the centres are equipped with cold storage facilities and the fruit and vegetables are transported in refrigerated vehicles. At the end of 1985, PAMAP began commercial operations and was subsequently able to open additional outlets to sell produce to consumers throughout Oman. The volume of produce purchased from farmers has risen from 7,390 tonnes with a market value of RO 989,929 in 1986 to 26,041 tonnes worth over RO 4 million in 1995. In 1986 sales amounted to RO 1.8 million compared to nearly RO 5.3 million in 1995.

In 1995, PAMAP exported more than 1,300 tonnes of fruit and vegetables worth over RO 200,000, mainly to the neighbouring AGCC countries. Bananas are the main export commodity. On account of the climate the agricultural season in Oman is of short duration. This tends to create a surplus of perishable goods in a highly competitive market, but PAMAP is successfully pursuing an energetic export drive.

PAMAP manages and operates the banana ripening and packing factory in Salalah and has established a banana reception and packing unit at al-Suwaiq to handle the produce on the Batinah coast. Since 1988, in order to reduce wastage during the peak season,



▲ Research is being conducted into modern methods of producing honey, highly popular in Oman.

PAMAP has processed, packaged and marketed several Omani products, such as limes, dates, dried vegetables and frankincense, as well as marketing the products of the Ministry of Agriculture and Fisheries' date factories. In line with the policy of privatisation, the management decided to sell the preserves factory, which was established in 1988, to the private sector.

High priority is given to training and Omanisation in PAMAP. Currently, 82.5% of the workforce is Omani, as a result of sending staff on specialist courses at home and abroad to gain experience and training.

Information is provided for consumers, while seminars and technical training programmes are organised by PAMAP for farmers to encourage them to use modern techniques in order to improve quality and increase production of the most suitable fruit and vegetables for the market.

FISHERIES

Oman has a coastline extending 1,700 kilometres from the Musandam Peninsula in the north to the border with the Yemen in the south. For centuries there have been small and often isolated fishing communities along the length of this coastline. In recent years much has been done to expand and modernise this traditional industry. Dried fish used to be carried on camels to the interior of the country but now with the development of roads and the introduction of ice factories, fresh fish can be found in nearly every town in Oman and is even exported to Saudi Arabia from remote fishing villages.

More than 150 species of fish and crustaceans have been identified in Omani waters, ranging from sardines to tuna. A wide variety of fish are eaten locally - kingfish and hamour (grouper) being very popular - while shoals of tiny sardines are netted for use as fertiliser and animal fodder. Sharks' fins are exported and lobsters which used to be avoided by fishermen are now caught for the lucrative hotel and restaurant trade. The quantity of the total catch landed rose rapidly during the 1980s, reaching a peak in 1988 when there was then a decline. Research carried out by the Marine and Science Fisheries Centre, set up in 1986 at Sidab with the help of FAO and UNESCO, has indicated that over-fishing has played a part in this decline. It is also suspected that marine pollution has been partly responsible.

The Ministry has taken a number of steps to conserve fish stocks while at the same time developing this important industry. These include restricting the fishing for lobsters and abalone to two months in the year (December & January), regulating the size of nets and equipment used for fishing, as well as defining the areas, depths, quantities and kinds of fish that may be caught commercially. Inspectors assisted by the Royal Air Force of Oman and Royal Oman Police coastal patrols control both inshore and out at sea on commercial fishing vessels. Commercial fishing is limited to 15% of the total catch and within Oman's territorial waters foreign vessels may not fish without a licence to do so.

A Fisheries Department was first established in 1972, became a Directorate-General in 1974 and was later absorbed into the Ministry of Agriculture and Fisheries. In 1980 the Oman National Fisheries Company was established with government assistance to

► Omani lobsters have become an important source of a fisherman's income.

►► Khasab Harbour - more harbours are being built for the fishing industry.









purchase, distribute and export the catches of local fishermen. It also handled fish caught by concessionaires. In 1987 this company was merged with the newly formed Oman Fisheries Company to which shareholders subscribed RO 30 million

▲ Fishing is a traditional - and lucrative - trade.

In March this year the Oman Fisheries Company launched a new joint venture with a Norwegian partner to catch and process lantern fish into fish meal for export to the Far East where it will be used for animal feed and agriculture. The Company's new vessel named 'Oman Pride' is the world's largest on-board factory ship with a capacity for a daily catch of 550 tonnes and storage for 2,000 tonnes of fish meal.

The fishing industry in Oman employs some 22,000 people and the annual catch varies between 118,000 and 160,000 tonnes. During the Fourth Five-Year Plan an industrial fishing fleet was created, while 8 large ports and 16 smaller ones were built and equipped with cold-storage plants and processing facilities. The re-birth of Oman's local fishing industry really began in 1978 with the introduction of the Fishermen's Incentive Fund. By providing financial assistance for the purchase of small fibre-glass boats and outboard engines to go with them, the Fund enabled fishing communities that were in danger of disappearing to revive their fortunes. In the Governorate of Musandam where the community is almost entirely dependent on fishing this kind of assistance has been particularly welcomed and



▲ The Marine Science and Fisheries Research Centre at Sidab.

now much of the catch can be exported to the UAE and other AGCC states.

During the fourth Five-Year Plan the Fishermen's Incentive Fund approved 2,583 applications for boats, depth-finders, fish detection systems, communications and miscellaneous equipment. 6,700 lobster pots were distributed free of charge and the Ministry's marine workshops along the coast provide technical support, such as maintenance of fishing gear and servicing of outboard engines. In the last five years a total of RO200 million has been allocated to the fishing industry of which RO 84.1 million was set aside for investment in industrial vessels, small boats, shore facilities and transport. RO 25 million was spent on harbours and RO 13.9 million on fish processing firms. A further RO 75 million covered resources assessment and the extension services provided by the Ministry.

Over the next five years the master plan for the development of the fishing industry to the year 2000 will continue. Towards the end of last year several new fishing harbour agreements were signed and foundation stones were laid at Quriyat, Shinas and al-Lakhbi, in the Wilayat of al-Jazer, for the construction of jetties, breakwaters, access roads, storage buildings and all the facilities necessary for a modern integrated fishing industry.

In March this year a new fishing harbour was opened at Bukha in Musandam with capacity for 200 small boats. The project took 14 months to complete at a cost of RO 2.5 million.

WATER RESOURCES

Water has always been a vital asset in Oman's social and economic development. For centuries people relied on the traditional falaj system of irrigation, which is still in use today. However the needs of modern society, the increase in population and development of the infrastructure require modern methods to be used to conserve and regulate the country's water resources as efficiently as possible.

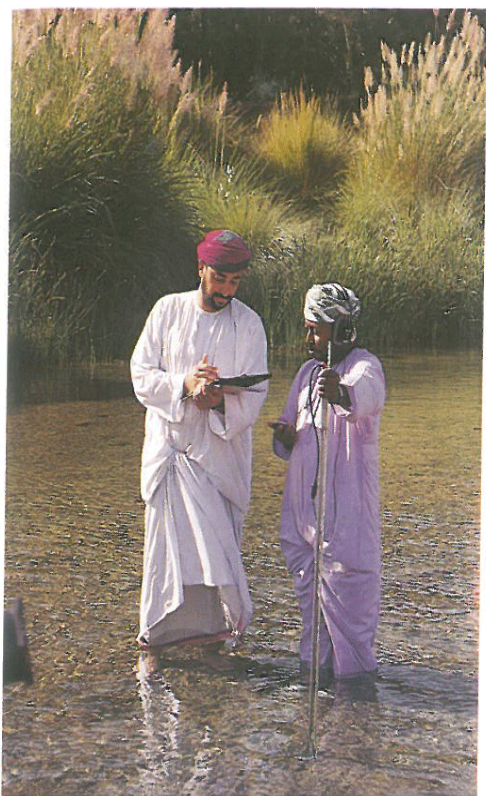
In 1975 the Water Resources Council was established. This was followed by the formation of a Public Authority for Water Resources, charged with identifying and assessing the natural water resources of the Sultanate. In 1986, two Councils were merged to form the Council for the Conservation of the Environment and Water Resources, of which His Majesty the Sultan was the Chairman. In 1988 the country's water resources were declared to be "natural wealth" by Royal Decree and in the following year the Ministry of Water Resources was established.

The aim of the Ministry is to conserve and develop the natural water resources of the Sultanate, and to initiate long-term strategies and policies for the regulation of water use.

The Ministry operates through four Directorate-Generals, which are respectively responsible for water resources assessment, water resources management, regional affairs and administration and finance. Staffing levels have increased more than eight-fold since the creation of the Ministry, which reflects the level of its activities. 93% of the 1,200 staff are Omani. Since 1992 114 staff have studied abroad, while an average of 500 a year have attended local courses. The Ministry is based in Ruwi with 11 water resource departments in the regions.

In March 1995 the Ministry, in cooperation with the International Water Resources Association, held an international conference on Water Resources Management in Arid Countries in Muscat, which was attended by 240 delegates from 39 countries.

The Ministry has met the challenge of regulation by a national campaign of well registration, and has just completed a National Well Inventory for the whole of the country. This project provides complete information of wells and water use, on which future water assessment and management programmes are being based. All



▲ Water - not oil - is truly Oman's life blood, and is carefully conserved.

wells have to be registered with the Ministry. In the case of joint ownership the appropriate person is certified by the Sharia Court or Wali in the area concerned. A public awareness campaign uses a wide range of media to inform and educate the public not to misuse water but to conserve this precious resource. This has resulted in greater co-operation from well owners who have to obtain permits before sinking new wells or replacing existing ones. The repair and deepening of wells, as well as alterations to falaj systems, are also regulated by the Ministry.

In October 1995 the Majlis al-Shura held a debate on test wells drilled by the Ministry close to aflaj and wadi sources of water. The Minister warned of a deteriorating situation in the country's water resources and said that there was an annual

shortfall of an estimated 275 million cubic metres. He said that it was essential to take a realistic look at the problem and that was why the Ministry, as the body responsible for evaluating water resources, had to sink wells to determine the size and sustainability of groundwater reserves. The Minister stressed, however, that wherever possible officials of the Ministry tried to avoid sinking wells near aflaj and wadi sources. The interest taken by members of the Majlis al-Shura shows a healthy interest by local people in the protection and conservation of their water resources.

Another area of importance is the Batinah coastal strip, which has suffered from salt water intrusion for a number of years as a result of increased water usage mostly for farming. At one time wells were simple, using traditional methods of construction and animal power to draw water from shallow depths; but with the introduction of diesel and electric pumps penetrating deeper into the aquifers the water table has gradually been lowered, allowing the sea water in. To combat this problem the Ministry has prohibited the digging of new wells, and in 1995 modified the regulations covering the siting of wells near aflaj and the deepening of wells. Since most of the water is used for cultivation, the Ministry has

been urging landowners and farmers to adopt modern irrigation techniques, which are more economical than traditional methods.

In 1995 the Ministry carried out a further salinity survey of the Batinah and is currently preparing a report on its findings. An experimental project has also been operating to ascertain the value of water metering in irrigation. 111 water meters have been installed on 27 farms to enable farmers to match the needs of their crops with their water usage. Preliminary results of this programme have shown farming ability to reduce its consumption. Phase two of the project has been started and a further assessment will be made at the end of the programme.

The Ministry has made significant progress in planning and developing schemes to increase recharge, to provide surface water storage and to improve falaj water system efficiency. Recharge dams are built to intercept flood flows in wadis, which would otherwise run to waste in the sea or inland into the desert. Water from these dams is released at a reduced rate of flow through culverts in the dam and gently infiltrates the ground water aquifer beyond in a controlled flow, thus replenishing boreholes in the aquifer downstream of the dam.

In 1985 a master plan was drawn up identifying 56 potential recharge dam sites throughout the Sultanate. So far 16 recharge dams have been completed, as well as a protection dam in Khor Rasagh at Sur. In 1994 26 small dams were built on the Jebel Akhdar. Earlier this year a further six were completed on the mountain and in surrounding areas at a cost of RO 11,736 million. During the heavy rains in July 1995 all the dams either overflowed or were filled to capacity. According to careful measures by the Ministry some 52 million cubic metres of water had been received and were recharged by the dams.

A major problem facing arid countries like Oman is evaporation of water held in surface reservoirs which is why recharge dams are often preferred, because they allow the water to infiltrate and replenish the underground aquifer. During the current Five Year Plan hydrogeological studies will continue to identify suitable sites for additional recharge dams. The Ministry is currently building a surface storage dam in Wadi Dham, near Ibri and continues to evaluate the cost-effectiveness of recharge dams as well as seeking to use alternative and cheaper options in other water construction projects elsewhere.

To achieve its long-term strategy of developing the country's water resources, the Ministry continues its endeavours to establish how much natural water is available, 97% of which exists as groundwater. It is really only in the last twenty years that widespread monitoring of rainfall, wadi flows and groundwater levels has been systematically carried out. There are few records going back into the past, but the Ministry has expanded its monitoring network and is rapidly building a technical database that is now a bank of national water resources data. A study of records kept in Muscat over the last century shows little or no percentage change between rainfall in the first fifty years and in the last fifty years or so. This means that there has neither been significant increase or decrease in the rainfall over the long-term. Clearly there is a natural variation from year to year and there tend to be short and medium term cycles of wetter or drier weather.

DOMESTIC WATER

The demand for domestic supplies has increased sharply in recent years with the construction of housing and commercial premises to accommodate and serve a rising population with higher living standards than ever before. Agriculture takes in excess of 90% of available water.

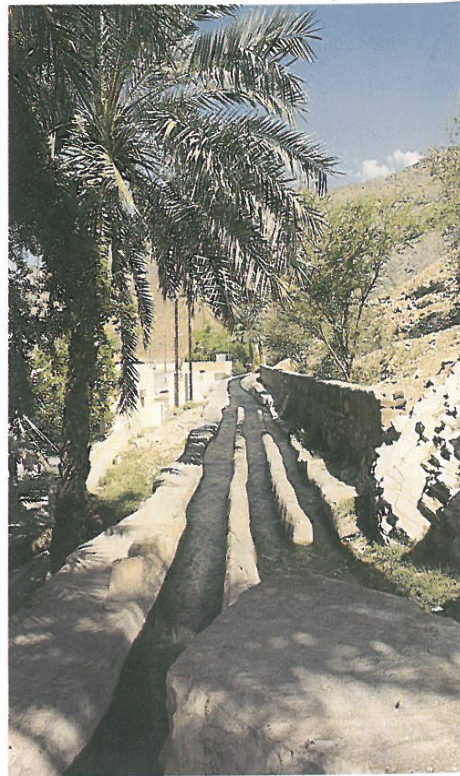
One of the first water supply projects was the building of a 12-inch line from al-Khodh where three wells were sunk, to a water tower in Muttrah, a distance of 35 kilometres. Water towers were also constructed in Muscat and Bait al-Falaj; however few buildings were connected to a distribution system from which the public had to collect their water supplies or have them delivered by tanker.

The first major project to be undertaken was the construction of a desalination plant at al-Ghubra which went into production in 1976 with a capacity of 5 million gallons a day. In 1978 natural gas was brought by pipeline from the Yibal oilfield to become the main source of energy for the power station and desalination plant. The capacity was again increased to 11 million gallons a day in 1982 with the addition of a new desalination unit. In 1986-87 three more desalination units were completed at al-Ghubra bringing total production capacity to 23.5 million gallons a day. The current

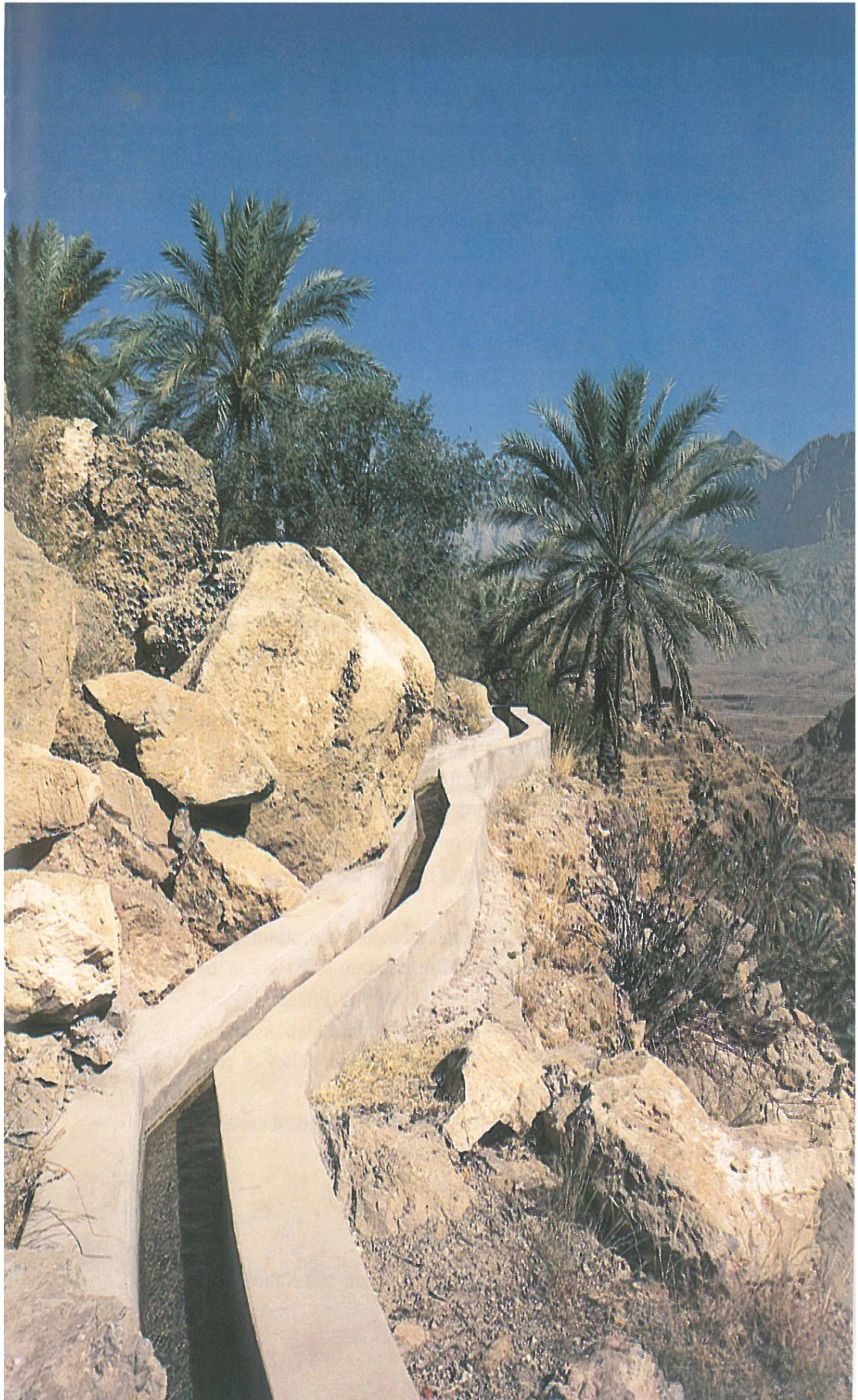
capacity of al-Ghubra is 29 million gallons a day which will be increased to 35 million gallons a day with the commissioning of a sixth unit by the end of this year.

As well as the production of fresh water from the desalination plant, groundwater is pumped from boreholes in the Wadi Dayqah and the al-Khodh area and mixed with the desalinated water before being distributed for domestic use.

The Ministry has completed a master plan for the supply of water to the Capital area up to the year 2010. The plan includes extension of distribution pipelines and house connections as well as the construction of new reservoirs. Considerable progress has been made not only in the supply of water to the Capital area and other major urban developments but also to smaller communities throughout the country. Nizwa, Sohar, al-Buraimi, Mahdah and Sur all have major water distribution networks. Sur has its own desalination plant with a daily capacity of one million gallons. Smaller plants in remote locations like Ras al-Hadd and the island of Masirah provide for local communities. Nine of the fifteen desalination units operated by the Ministry use a method of desalination known as reverse osmosis. Trials on this method of producing fresh water are being conducted at Hailat al-Rakaa by the Ministry of Water Resources. In this process saline water is forced through a semi-permeable membrane which allows the water to pass but not the dissolved salts; however until ways are found of improving this technology, the capacity of these plants will remain limited to between 50 - 100 cubic metres a day. Water will continue to be supplied to remote rural areas by road tankers and by traditional methods until financial and local piped water resources can be made available. Although Khasab, the principal town of the Musandam peninsula, has a water distribution system with house to house connection, the actual supply has to be brought in by sea tanker.



►▲ The age-old falaj systems irrigate the many productive farms.



ELECTRICITY

Electricity now reaches all populated areas of the Sultanate except for some remote mountain villages, which means that about 86% of the country is fully supplied.

The first large project to provide electricity in any quantity was the construction of the al-Ghubra power station and desalination plant in 1976, with an initial capacity of 25.5mw. The first major extension to the power plant was completed in 1983 raising the capacity to 287mw. The latest expansion with the addition of two gas units of 190mw capacity has raised productivity to 500mw.

By 1978 the growing nationwide demand for electricity and water was such that a Ministry of Electricity and Water was established. At the same time the gas pipeline to the coast was extended to Sohar where a power station was constructed close to the copper mining and smelting project. Along the gas pipeline provision was made for spur lines to meet industrial and domestic demand for electric power. One of the most important connections was at Rusayl, the site of Oman's first industrial complex, where a power station was constructed in 1984 with a capacity of 250mw. This capacity has now been doubled to 500mw.

In the southern region the first power station was begun in 1971 to serve Salalah. Since then new power stations have been built both in Salalah and Raysut with a capacity of 12,400kw. The capacity has now been up-graded to 20,000kw and the draft tender documents for the privatisation of the Salalah electricity system are being reviewed by the Government. The tender includes not only the generation and transmission of the electricity supply in Dhofar but also the distribution and invoicing of consumers.

Apart from the Capital area, Salalah and oil industry locations, there were no generating stations elsewhere in Oman before 1978: but in the following year no less than 22 were added to cover the different regions with a total overall capacity of 27mw. At first all these stations had to be run on diesel but where possible the Ministry has a policy of converting them to gas-fired stations.

There are currently 31 power stations with a total installed capacity of 1662mw and using the following sources of energy:-

Steam	106mw	=	6.4%
Gas	1151mw	=	69.3%
Diesel	405mw	=	24.3%

The electricity grid system has some 220 main sub-stations and about 11,000 distribution transformers.

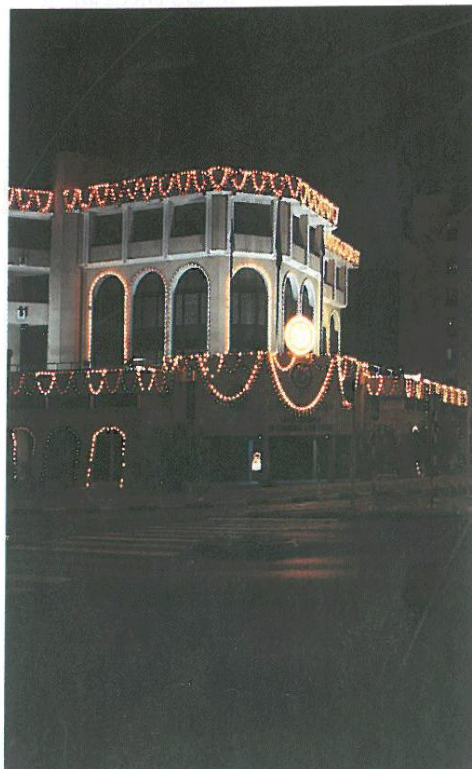
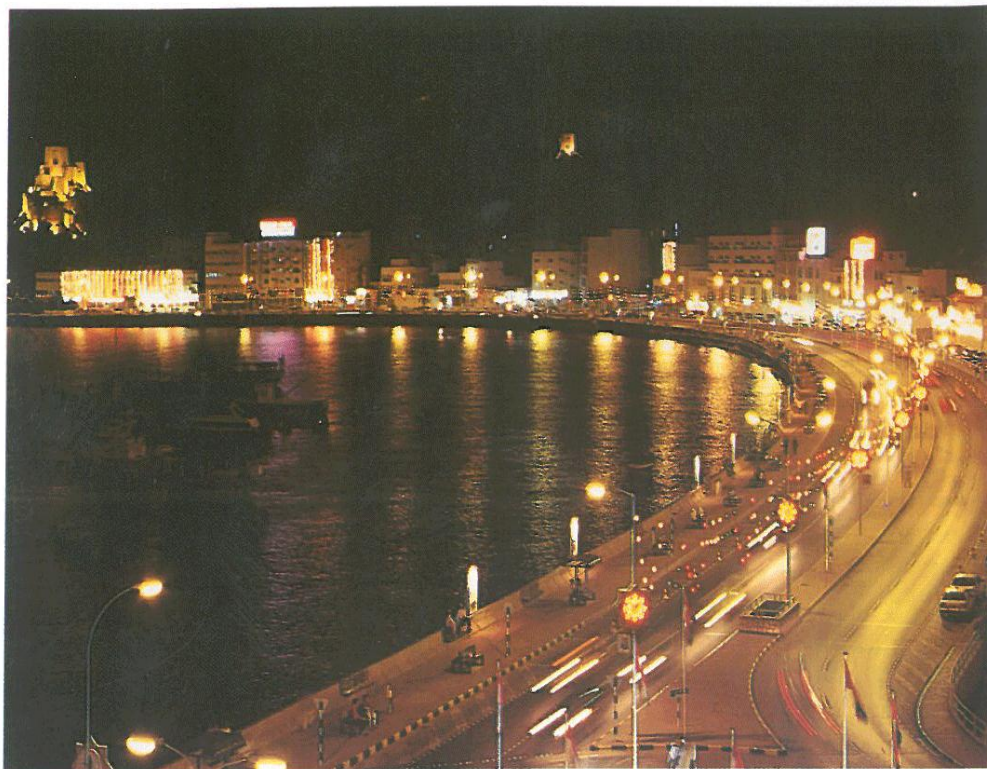


▲ A new power station - many will be powered by gas from Oman's fields in the future.

Recent projects include the electricity supply to al-Ashkarah and the extension of the Ja'alan Bani bu Hassan power station to the village of Aseelah; but the most significant project to come on stream is a major new power station at Manah, which is designed to replace the diesel-fired units serving the Wilayats of Izki, Nizwa and Bahla.

In June 1994 a contract was signed with the United Energy Company, a private sector consortium formed from four Omani and three Belgian companies to build and operate a 90mw capacity power station at Manah. The Company will own and operate the power station for a period of twenty years and then hand it over to the public sector. 40% of the shares in the project will be offered to Omani and AGCC nationals. This is the first privately-owned power station to come on stream in the Gulf States and marks an important step in the Government's privatisation programme. The Ministry is at pains to point out that, in accordance with the directions of His Majesty, consumers will not suffer as a result of privatisation since part of the agreement is that the existing price structure for electricity will be maintained and regulated.

In fact the Ministry of Electricity and Water has always encouraged the private sector since its establishment as the Government body



responsible for planning and supervising the development of these utilities. During the last five years the Ministry has concentrated on inviting consultants to study ways of achieving privatisation in order to reduce Government expenditure and bring benefit to the consumer. One such project under study is the Barka power and desalination plant which is due to come on stream in 1998 with an eventual capacity of 1900mw.

▲ ◀ The Capital
en fete for
National Day.

SOCIAL AFFAIRS & LABOUR

The Sultanate of Oman has created a social welfare system that is second to none in a remarkably short period of time. The aim of the Ministry is to promote stability and security for families in a rapidly changing social environment.

Social Security

In 1995 the Ministry spent over RO 19 million on social security; another RO 1.6 million was given to needy families as Eid donations. In some cases the money provided is for emergency assistance, where families or individuals have been the victims of natural disasters or accidents such as floods or domestic fires. In 1995 there were 98 emergency cases for which RO 13,911 were provided, and 255 other cases of hardship for which RO 57,404 were distributed. Some families receive financial assistance with the connection of water and electricity supplies.

Special Needs of the Disabled

Special attention is given to the needs of the disabled, particularly young people for whom the Ministry provides a special training centre at al-Khouth, opened in 1987, where skills such as typing, sewing, domestic science and carpentry are taught. During the academic year 1994/1995 the Centre enrolled 97 male and female students, while in the same year 41 disabled students graduated and obtained employment. The Ministry helps to find suitable employment for the newly qualified disabled and provides wheelchairs and any other special equipment that may assist the disabled to lead as normal a life as possible. Last year the Ministry announced that it was starting a census of the disabled in order to be able to meet their requirements and plan a range of benefits for them. It is intended to issue special identity cards to help them find employment and to claim welfare benefits.

Since 1993 ten 'Wafa' Centres have been opened in different parts of the Sultanate for the care and rehabilitation of disabled children. These centres are funded by the Ministry and run by around 100 female voluntary staff who care for some 500 disabled children.

Sport is an important part of the disabled welfare programme. The Ministry ensures that Oman is represented at Gulf, Arab,

Asian and International sporting events. The disabled sports team won gold, silver and bronze medals at the International Sports Championship for the Disabled at Stoke Mandeville in England in 1994.

In March this year Muscat Municipality organised a major festival in al-Qurum Nature Park in aid of the disabled. The festival, lasting ten days, featured a number of attractions and was a co-operative effort between several Ministries, the Royal Oman Police and voluntary organisations.

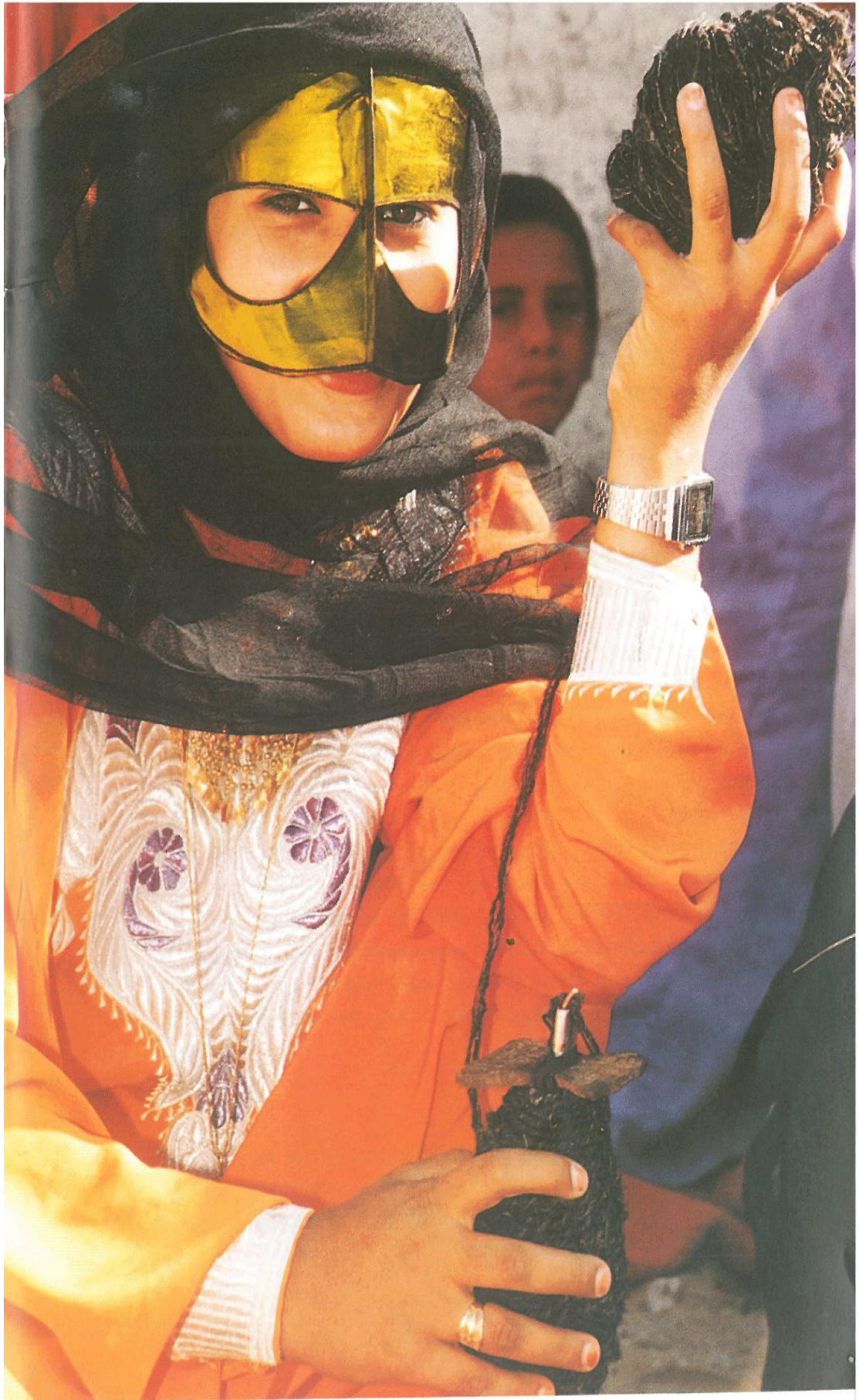
Oman Charitable Organisation

In January this year the Oman Charitable Organisation, a non-governmental body was set up by Royal Decree. His Majesty the Sultan made the first donation and an anonymous businessman donated RO 366,000. It is hoped that the private sector will support the new organisation which was able to hand out over RO 70,000 within a month of its establishment to deserving cases over the Eid al-Fitr. Companies and individuals can donate funds through the office of the Minister of State for Legal Affairs.

Women & Children

Woman and children form one of the most important responsibilities of the Ministry of Social Affairs & Labour. In 1995 over one thousand women attended some 70 training programmes and courses. During the year the Ministry organised no less than 142 conferences and lectures for women. The Ministry has established seven women's training centres in different parts of the Sultanate, while other centres have been set up with voluntary contributions. The centres train women in needlework, embroidery and home economics, as well as in traditional local crafts, which they are helped to sell through marketing facilities provided by the Ministry. Women are encouraged to open tailoring shops in rural areas after attending a training course. The Ministry hopes to train at least 650 women during the current Five-Year Plan so that they can replace expatriate tailors in the rural areas. The centres also organise a variety of activities, including lectures and literacy classes. In conjunction with the Ministry of Health, women are given courses in hygiene, birth spacing and other health matters. The centres have play-group corners where mothers can leave their children while they carry on with their activities.

► An Omani woman demonstrates her skill in spinning yarn, wearing traditional national dress.



There are now 36 day-nurseries established for small children in various parts of the Sultanate. These are run privately, but are carefully supervised by the Ministry which lays down regulations for their activities. One of the important events in 1995 was the opening of the Child Care Home in Muscat, which aims to ensure adequate living standards for children, such as proper nutrition, suitable clothing and equipment, health care and hygienic surroundings.

Fourth World Conference on Women

An eleven-member delegation from the Sultanate participated in the Fourth World Conference on Women in Beijing. At the Conference the rapid progress made by Omani women in recent years in both the public and private sectors was reported. According to the 1993 census figures, a total of over 24,000 women were recorded in employment. Of the 57,000 employees in the public sector, 10,678 were women, or nearly 19% of the total, at the start of 1995. Understandably the Ministries of Health and Education employ more women than other Government bodies. In the Ministry of Education, 56% of the staff are female. About 275 women, one of them of Under-Secretary grade, hold senior positions in Government. In the private sector some 2,977 are recorded in employment. Omani women have also become independent business women (1,539) or partners in a business (1,580). These figures are impressive given the situation ten years ago when only 2,831 women were employed in the Government sector. Considerable credit for this progress must go to the Ministry of Social Affairs & Labour which has always assisted women to play their role in society and, above all, to the encouragement given by His Majesty the Sultan for women to play a more prominent role in the life of the country.

Women's Associations

Oman Women's Associations play an important role in the voluntary sector. There are 16 Associations with a membership of 2,415 women who co-operate with Ministry staff in carrying out social work within the local community.



▲ Women's centres where various skills such as embroidery are taught.

Community Development

By the end of last year community development programmes had reached over one thousand villages in the Sultanate. During 1995 twenty-eight local community development projects at a cost of RO 262,364 were implemented. Of this figure RO 204,822 was contributed by members of the public. An important part of these projects is the dissemination of information through the distribution of newspapers, magazines and educational materials. In 1995 there were 86 rural libraries containing a total of 10,321 books.

With the co-operation of the Ministry of Education, 52 adult literacy classes were held for 842 men and women. In conjunction with the Ministry of Agriculture and Fisheries wells have been dug and deepened and aflaaj repaired. Veterinary and pest control services have also been provided.

Labour

The Ministry is responsible for the national workforce employed in the private sector, as well as for foreign labour employed by private companies. An important aspect of the Ministry's labour

policy is to bring Omani women into the workplace wherever suitable employment can be found. Omanisation has high priority and Omanis are encouraged to take jobs currently performed by expatriates. The Ministry co-operates with the Ministry of Commerce & Industry and the Royal Oman Police to ensure that companies are complying with the Labour Law and that foreign workers have labour permits. Labour inspectors also carry out occupational health and safety inspections. In 1995 the Ministry warned the private sector that unless companies submitted their Omanisation plans within the time allotted, labour clearance approval would not be forthcoming. The Ministry has issued an Omanisation Guide in Arabic and English to help firms complete the necessary forms and has prepared an index of job titles and descriptions. So far over 3,000 Omanisation plans have been submitted to the Ministry.

The Ministry has stipulated a fixed Omanisation ratio in six areas of the private sector to be achieved by the end of this year. Transport, storage and communications are to have 60% Omanisation, finance, insurance and real estate 45%, industry 35%, hotels and restaurants 30%, wholesale or retail trading 20% and contracting 15%. In spite of these Omanisation plans, the number of expatriates in the private sector is set to continue rising with the growth in the economy. Last year the number of expatriates rose by 17% over the previous year to nearly 600,000. By the year 2020 it is estimated that there may be as many as 800,000 new jobs created in the private sector which, with Omanis being given priority of opportunity, will offer a broad range of employment to school-leavers and graduates

Working Hours

Working hours are regulated by the Ministry of Social Affairs & Labour in the case of the private sector and by the Diwan of Royal Court for the public sector. Working hours for the public sector are Saturday - Wednesday inclusive from 7.30 a.m. to 2.30 p.m. During Ramadhan the hours are reduced and public sector employees work from 8.30 a.m. - 1.30 p.m. In the private sector working hours vary according to the time of year and nature of the business, but during Ramadhan, Muslims in private companies are only expected to work a six hour day or a 36-hour week.

COMMUNICATIONS

Roads

In 1970 there were only 10 kilometres of paved road and about 1,700 kilometres of unpaved tracks in the Sultanate. As a result of the mammoth programme of road construction carried out by the Ministry of Communications there are now about 6,000 kilometres of paved road and 24,000 kilometres of unpaved track roads. Of these totals the Ministry has constructed about 5,000 kilometres of the paved road and has built and maintains 15,500 kilometres of unpaved road; other authorities responsible for road construction and maintenance have been the Ministry of Defence, Ministry of Regional Municipalities & Environment, Muscat Municipality and PDO.

The major road network in the Sultanate has been completed and attention is being turned to improving and widening existing highways and to linking towns and villages of the interior with local road schemes.

In 1995 Phase One of the Rusayl-Nizwa dual carriageway project from Burj al-Sahwa at Seeb Airport to the Bidbid - Sur junction

►► Port Sultan Qaboos: old and new. A dhow loads from a lighter alongside, while a modern gantry crane stands ready for the next ocean-going ship.

▼ One of the Sultanate's great road complexes.









(a distance of 36 kms) was completed at a cost of RO 15.5 million. With the large increase in traffic volumes in recent years, dualisation of congested roads has become an important part of the road building programme and helps to reduce accidents. There are at present 432 kilometres of dual carriage-way. These include the Batinah highway, the Nizwa road and the link between Salalah and the port of Raysut, as well as the main arteries of the Muscat road system.

◀ **Vital information - a meteorologist at work, Seeb International Airport.**

It is now possible to drive along the coast all the way from Quriyat to Sur in a 4-wheel drive vehicle. With the industrial projects planned for Sur it is likely that this route will eventually be paved to cut down the journey time from Muscat; but it will be an expensive and difficult piece of engineering work.

Oman National Transport Company

The state-owned bus company (ONTC) has the franchise to operate public services throughout the Sultanate.

It also contracts out some of its fleet for short-term charters and tourism. It currently operates on 28 routes and is gradually replacing its fleet with more modern vehicles; 53% of its large buses and 69% of minibuses and small coaches are now air-conditioned. There are long distance services in luxury coaches linking Muscat with Salalah and Dubai. In 1994 ONTC carried a record 4 million passengers. 63% of the staff of the Company are Omani.

Taxi services are also well developed and there is an excellent network of minibuses operating as 'service' taxis linking up the major centres of population.

Seaports

A development priority for the Sultanate of Oman was the construction of Mina Sultan Qaboos which was completed in 1974 with a capacity to handle 2 million tonnes annually. Since then many improvements have been made including dredging the harbour entrance to a depth of 13 metres. The spoil from this and other operations has been used for land reclamation in Shutaifi Bay where a 150,000 sq metre container storage area has been created. At the end of 1995, the Port Service Commission signed an agreement for the design, manufacture and installation of a third gantry crane at a cost of RO 1.9 million.

Mina Raysut is the port serving Salalah and the Governorate of Dhofar. With the expansion of the Rusayl Industrial Estate and the prospect of increased trade with Yemen, development plans for the port are being studied. There are also studies being carried out to identify possible sites for a third major seaport on the northern coast of Oman to meet the demands of industry in the next quarter of a century.

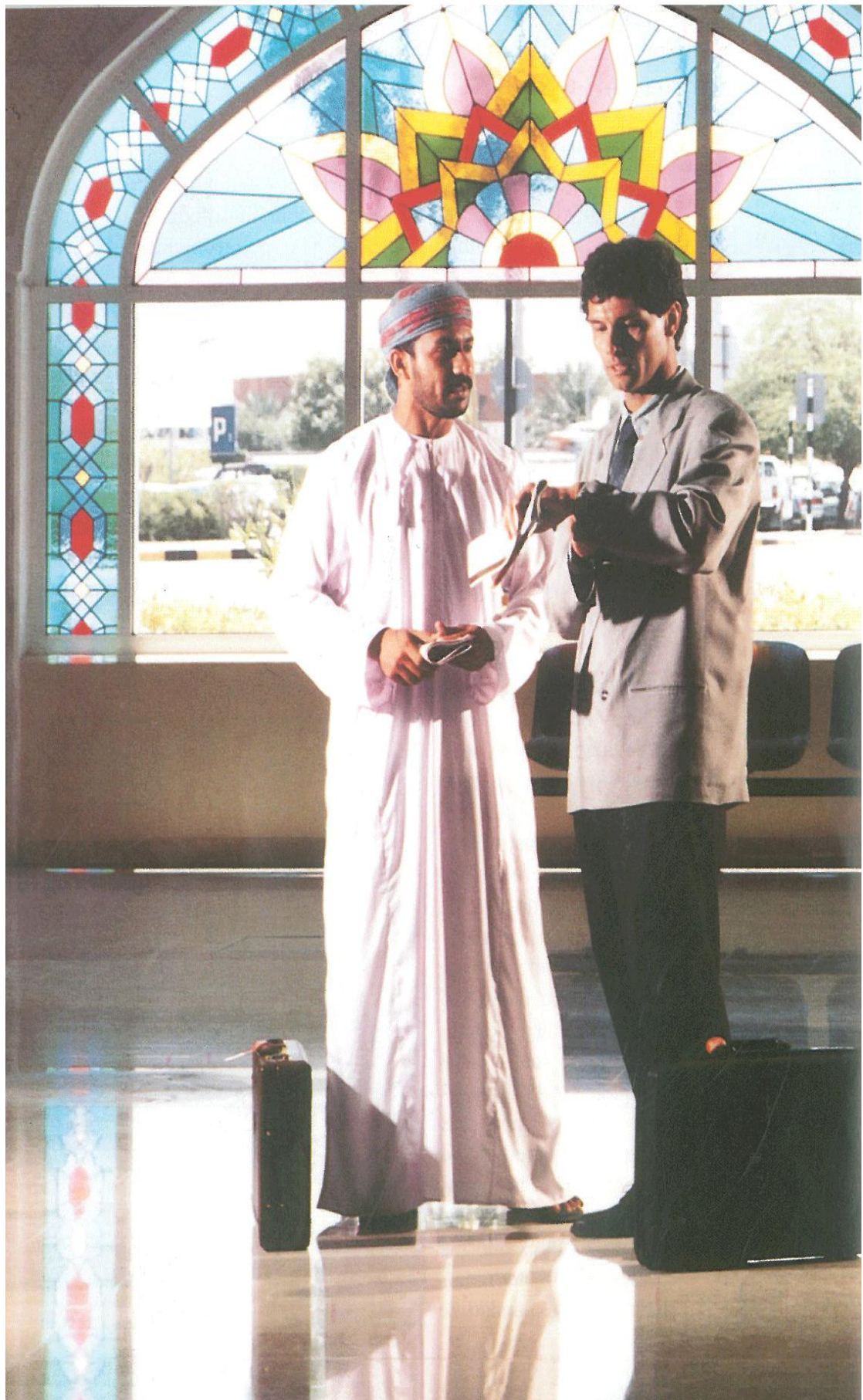
Airports

It is hard to believe that Oman's airport was once situated in the confined space of Bait al-Falaj. The construction of a new modern airport was an early priority in the country's development. The site chosen some 17 kms out of Muscat seemed remote at the time that it was completed in 1973; however Seeb Airport has gone from strength to strength. The main runway has been extended to 3,585 metres and the passenger terminals have been expanded to

► The highly sophisticated Information Centre, Seeb International Airport.

►► Assistance to passengers.







handle 3,000 passengers an hour. Duty-free shopping, lounges and transit areas have been added and expanded to make it a thoroughly modern facility. Total passenger movements during 1995 amounted to 2,176,033 arrivals, departures and transits.

Salalah, the country's second airport which had developed as a military installation, began operating a passenger terminal in 1986 and the main runway was extended in 1992.

The Sultanate now has six civil airports: at Seeb, Salalah, Sur, Masirah and Khasab and Diba in Musandam. At present Sur and Diba can only take light aircraft but plans are being studied for upgrading the airport at Sur and to build new airports at Sohar and al-Buraimi. It is likely that Seeb International airport will also be expanded and up-graded to meet demand in the years to come. However such plans are contingent upon forecasts of demand and development priorities.

Oman Aviation Services

In recent years OAS has expanded its services both on the ground and in the air. In 1993 Oman Air began operating scheduled flights to Salalah, Dubai, Trivandrum, Kuwait and Karachi. In 1994 Colombo was added to these routes and Bombay in 1995. During 1995, Oman Air carried a total of 38,536,574 kgs of freight and 1,925,415 passengers which represented a 35 - 40% increase on the figures for 1992.

OAS currently operates 28 internal flights a week to Salalah, Sur, Khasab, Masirah and Diba. It also operates about 50 charter flights a week to the PDO airstrips at desert locations.

The Company has also shown an impressive performance with its training and Omanisation plans. Some 680 staff have completed training programmes. In 1993 the first batch of four Omani pilots graduated to fly Boeing-737 aircraft. At the same time certificates were awarded to four Omani engineers who had been trained in Australia. Omanis are also employed in senior positions in Gulf Air, which has a target of having 80% of the pilot positions in 1997 filled by nationals of the four Gulf States that each own 25% of the airline: (Bahrain, Qatar, Abu Dhabi and Oman).

POSTS AND TELECOMMUNICATIONS

Postal Services

The first post office in the Sultanate was opened in Muscat in 1856, but no further progress was made for more than a century. Until 1947 Indian postage stamps were used. After Indian Independence over-printed British stamps were issued when the British Post Office was given responsibility for postal agencies in the Gulf region.

The first Omani stamps were introduced in 1966 when the Government took over the postal services. At that time there was only one post office in Muscat and none elsewhere in the country. At the end of 1995 there were 89 post offices in operation, as well as 172 postal agencies throughout the Sultanate to provide services to rural areas. The number of post boxes has increased to 47,500 and there is a fax service for customers at branches in the interior of the country.

During 1995 the postal services handled some 30 million items,

▼ One of five sets of commemorative stamps issued in 1995 - this set celebrates the Sultanate's Silver Jubilee.



including ordinary and registered letters, parcels, printed matter and express mail services.

Commemorative issues of stamps

In 1995 there were five issues commemorating various events throughout the year. The first issue in January featured His Majesty's tour to meet the people. This was followed by two separate issues celebrating the 50th Anniversaries of the United Nations and the Arab League. In November there was a special National Day issue to celebrate the Silver Jubilee and finally an issue in December to mark the 16th AGCC Summit in Muscat.

Telecommunications

The General Telecommunications Organisation (GTO), established in 1980, is a fully-owned Government entity and is now self-financed. Plans to privatise GTO were announced in April this year. GTO is responsible for the infrastructure of the telecommunications network and the extension of a modern telephone system throughout the Sultanate.

New developments

The Sultanate of Oman now has a telecoms network that is second to none in the Gulf region. The country is served by a switching network that consists of 124 digital switches with an overall telephone capacity of 227,269 lines as at the end of April 1996. The number of subscribers on the network currently stands at 177,071. Now that virtually all areas of the country are served by a local exchange, new subscribers can be connected within 48 hours. To cope with further demand on the network, GTO signed an agreement in January this year for the expansion of 15 telephone exchanges serving the Capital area and Batinah coast. Under this RO 3,373,008 contract an extra 16,808 lines will be added providing Oman with a total capacity of 280,000 lines early in 1997. From 1st May this year, in accordance with the policies laid down by His Majesty the Sultan, to provide cheap and efficient services to the public, voice mail charges and paging tariffs were reduced by about 50%. Some services are now provided free of charge.



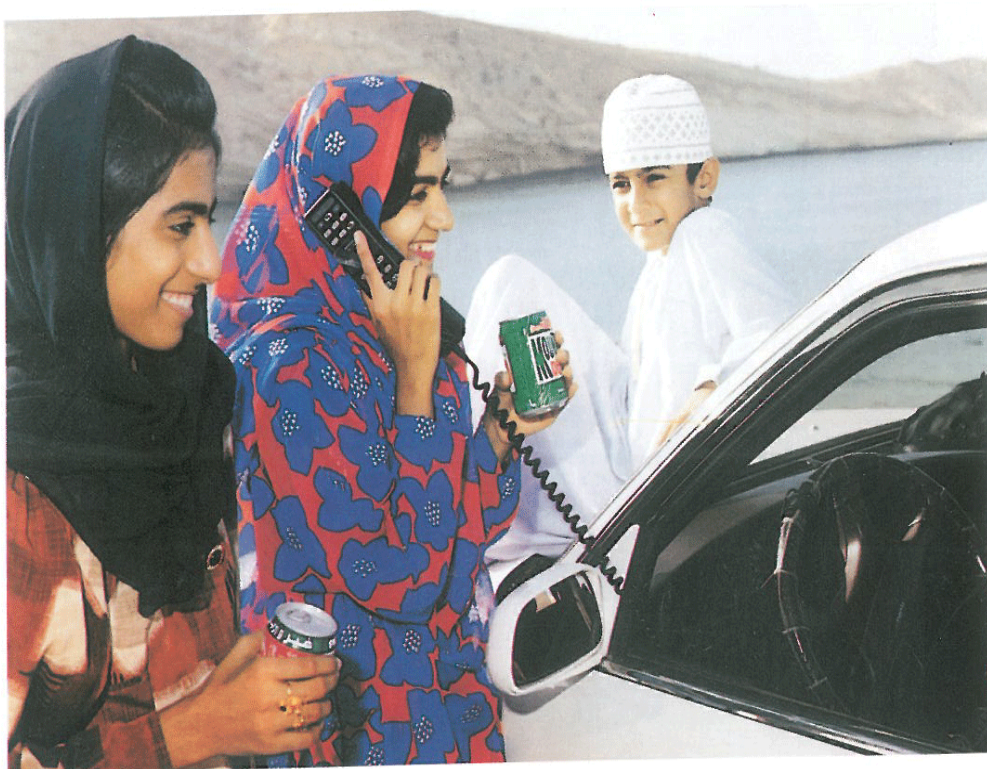
▲ Telephone cards to tempt the collector.

Payphones

In 1980 GTO introduced coin-operated payphone services, and in 1985 the public were able to use telephone cards for the first time. By the end of April 1996 there were 3,974 payphones, of which 62 were coin-operated and 3,912 card-operated. As part of the 25th National Day celebrations, GTO offered for sale a limited edition of a replica telephone card, made from 75 grams of silver, at a price of RO 25. A Silver Jubilee pay card for normal use was also circulated. Other paycards issued by GTO have featured attractive items like flora or fauna and have also been used as a commercial advertising medium.

Mobile phones

Mobile phones were introduced into Oman in 1985 and at the end of April 1996 there were 8,352 subscribers with a network capacity of 9,500 lines. At the end of this year GTO will introduce GSM (Global System for Mobile) to the Sultanate. The new system will only cover a limited area in the initial stages and subscribers



will continue to use existing systems until coverage is complete. GSM has several advantages over the present system, such as lighter mobile handsets, lower price equipment and high quality performance. In addition, GSM will enable a subscriber who is abroad to use his own home equipment and settle his bills in his home telephone administration, provided a roaming agreement exists between the two countries. It is also hoped to reduce the tariff rates for the new system.

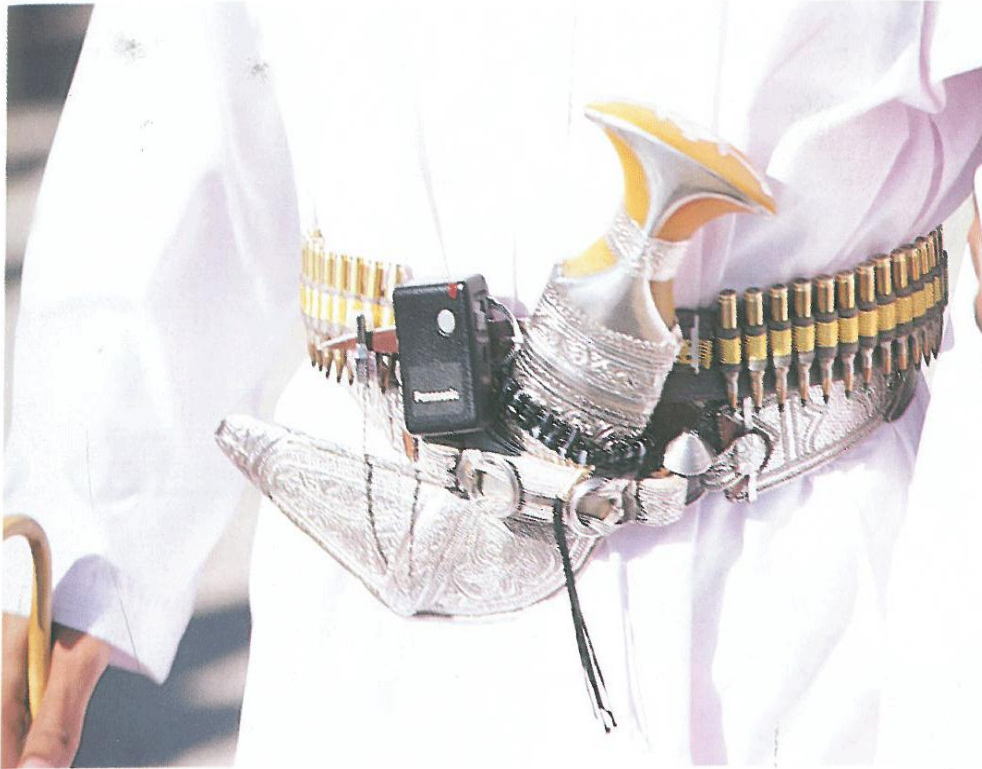
▲ Two ladies enjoy the amenities of modern life - but still proudly wear their Omani national dress.

Internet

GTO has announced that Oman has plans to join the Internet. Eleven tenders have been received and evaluated for the project.

Paging

Paging was introduced in 1991 with an initial capacity for 10,000 subscribers. The system offers tone, numeric and built-in voice mail box services. By the end of the first month of service there were 1,853 active pagers and the system supported 20

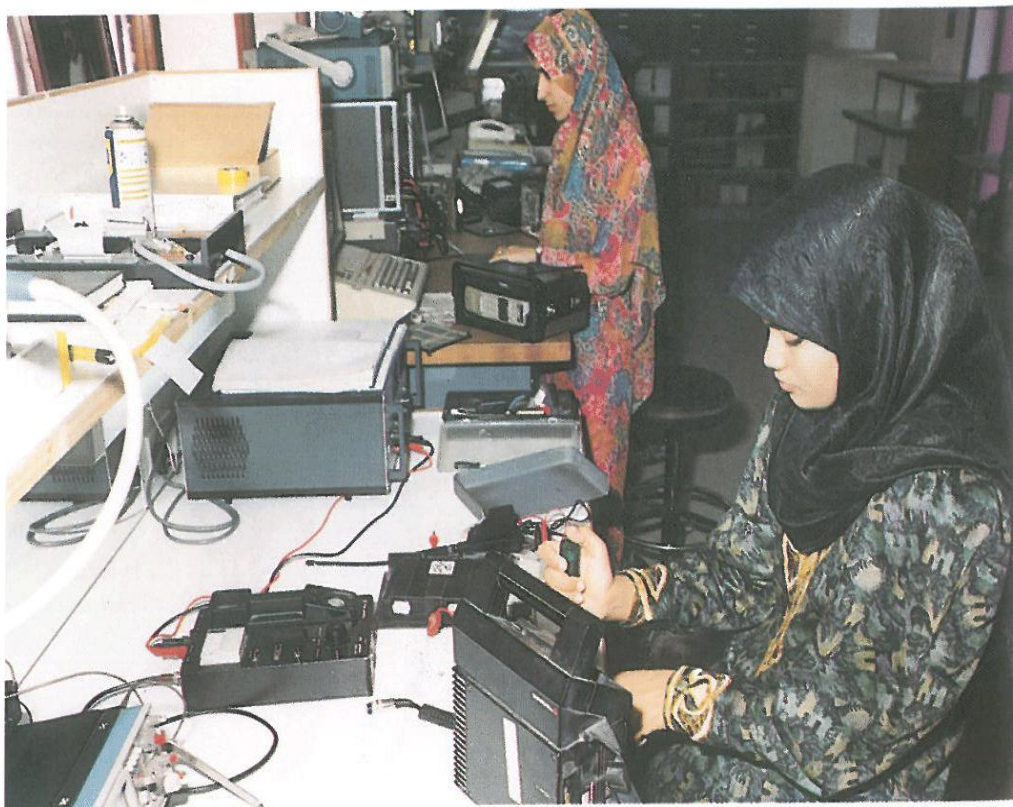


▲ A new use for a man's formal belt - a pager is worn next to a traditional khanjar.

transmitters. The system was later extended and the area coverage was increased by installing 13 new transmitters bringing the total up to 48. At the same time the sale of pagers was privatised, leading to a variety of models being available in the market. By the end April 1996 the total number of active pagers reached 58,213.

Reduction in international call charges

In accordance with the directives of His Majesty the Sultan, GTO announced a reduction in off-peak charges for international calls to some countries by 15 - 40% at the end of last year. GTO is now planning to cut its international tariffs for the second time. The international service offered by GTO plays a prominent role in the economic life of the country and a major part of GTO revenue is earned from this traffic. The GTO international network is used to route all international news and live TV programmes broadcast by Oman TV. GTO has facilities to receive and transmit TV programmes from and to almost any country in the world via INTEL-SAT and ARABSAT.





Oman's skilled technicians are essential for the maintenance of its highly technical communications network.

Training & Omanisation

Training is carried out in the GTO Training Centre and at other institutes in Oman. Some specialised training is given overseas, but much of the training on new equipment is done as part of the contract with the supplier. In 1995 a total of 528 students were trained in the GTO Training Centre, 147 at other institutes in Oman and 92 attended courses overseas. Of the 2,341 personnel working for GTO, 1,959 are Omani, which represents 84% of the total. For such a highly technical organisation this is a most creditable achievement.

Telecommunications in the next century

It is estimated that Oman will need about one million telephone lines by the year 2020, which will require massive private sector investment.

EDUCATION

The education of both girls and boys is given high priority in Oman. In 1970 there were only three schools with a total of 909 pupils and thirty teachers. There are now 965 schools including two private, two commercial, one industrial and seven Islamic preparatory schools. 953 of these schools provide state education at primary, preparatory and secondary levels.

Student Population

The total number of male and female students is 490,481, of which 488,797 are in state education, 526 in commercial secondary education, 173 in industrial secondary education, 569 in Islamic preparatory education and 416 in private education.

Teaching Staff

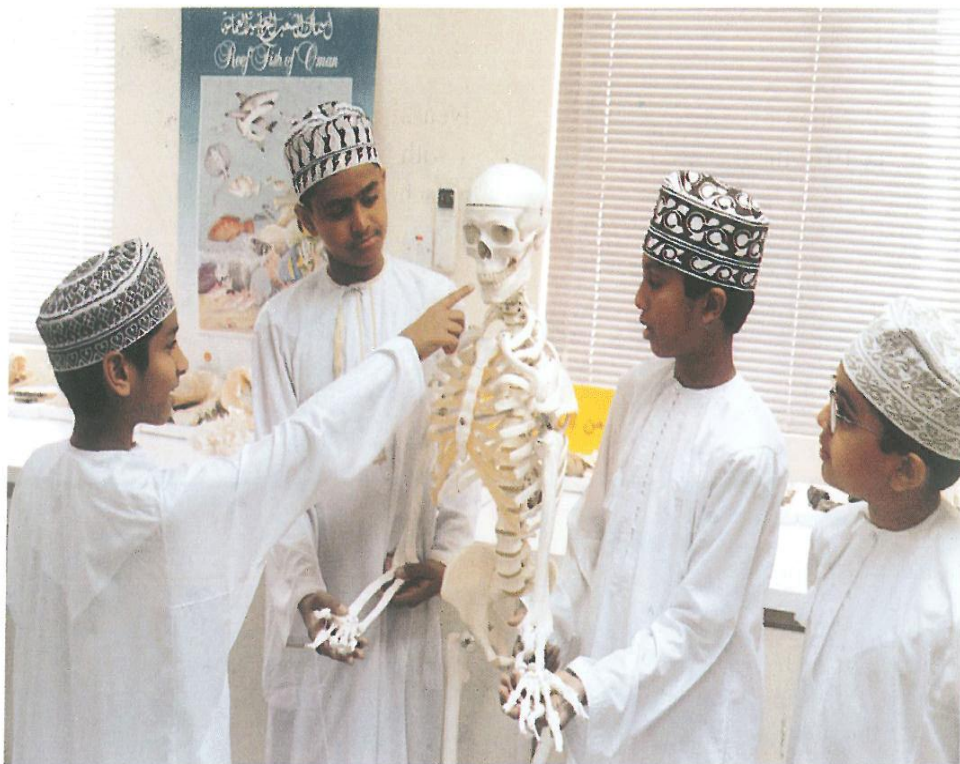
There are 22,682 teachers of whom 22,463 are in state education, 78 in private education, 39 in commercial education, 35 in industrial education and 67 in Islamic institutes. The total number of Omani men and women teachers for the academic year 1995-96 is 11,954, of whom 11,916 are in state education and 38 in private education. As for expatriate teachers there are 10,728 men and women, mainly recruited from Egypt.

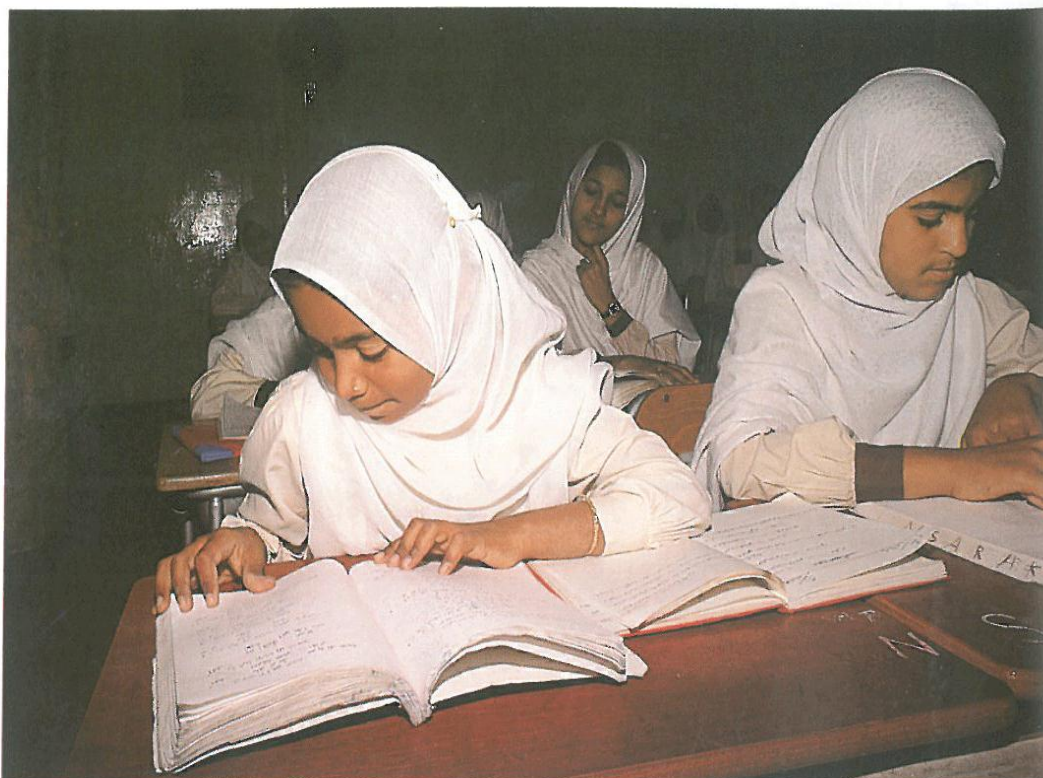
Training of Omani Teachers

The first Teacher Training Institute opened in 1977, but in the academic year 1984-85 the system was changed and Intermediate Colleges were established. There are currently nine Colleges in the Sultanate for the preparation of primary school teachers. The Colleges accept students who have completed their secondary education successfully. After two years the students graduate as primary school teachers. Nearly 80% of all primary school teachers are now Omani men and women. The Ministry has established an Institute for training preparatory and secondary school teachers. The Institute accepts university graduates, other than those from the Faculty of Education and Islamic Studies at Sultan Qaboos University, and gives them theoretical and practical training to become teachers.

► A lighthearted biology.

► Artistic expression is encouraged.





Education for Girls

Girls follow the same syllabus as boys starting with entry to primary education and going on to preparatory, secondary and higher education. Before 1970 there were no schools for girls but now there are nearly as many girls as boys in education. Ministry statistics for the academic year 1995-96 gave a figure of 236,474 girls which is 48.2% of the total number of male and female students. This figure compares with the 1993 census findings which showed that females made up 49.1% of the population. Girls also make up 41% of the students in private education.

In the academic year 1995-96 the number of girls registered in education was 81% compared with 85% of boys between the ages of 6 and 18 in the total population.

▲ A young student ponders a difficult problem.

Stages of Education

There are three stages of juvenile education: primary, preparatory and secondary. Primary school education usually begins at the age of six. Having passed the sixth primary grade examination between the ages of twelve and fourteen the pupil moves on to



▲ A day starts with a salute to the flag.

preparatory education. Students passing the general preparatory certificate examination are then admitted to the first grade of secondary school between the ages of fifteen and seventeen. Here they are selected for the appropriate type of secondary education in accordance with the results of their preparatory examination.

On completion of their secondary education, successful students can go on to advanced training at specialised colleges or enter Sultan Qaboos University. Under the current Five-Year Plan students will be streamed at secondary level in order to focus them on careers which will require more specialised and technical training in future.

Adult Education

Adult education operates in parallel with the regular education system, allowing advanced courses and examinations to be taken. Training is given in the teaching of adults and there are some 250 literacy centres for the eradication of illiteracy and nearly 200 adult centres, training some 18,000 part-time students together with over 9,000 home study learners.

Private Schools

The Government has encouraged the growth of private schools in the Sultanate and welcomes the contribution made by the private sector to the education system. In the academic year 1995-96 there were 81 private schools and kindergartens in the Sultanate providing pre-school, primary, preparatory and secondary education for 10,796 boys and girls, as well as 5,186 children between the ages of 3-6 years.

Private school owners must be of Omani nationality and have at least a secondary school certificate. These schools follow the same curriculum as Government schools and hold the same examinations.

The Sultan's School at Seeb operates a demanding bi-lingual programme with specialisation in science in the higher grades. Nearly all its students go on to university, many of them to Britain and the United States. Emphasis is placed on preparation for citizenship and leadership and the school offers a very wide range of extra-curricular activities.

Teaching of English

The teaching of English has assumed increasing importance in recent years, particularly with the opening of Sultan Qaboos University, where science-based courses are conducted in that language. In 1987 the Ministry launched a major project to develop the teaching of English in schools with materials specially designed to suit the Omani school system. Teacher-training also plays an important part in raising the standard of English in schools. Omani teachers of English are given additional programmes during their training.

HIGHER EDUCATION

In January 1994 the Ministry of Higher Education was created by Royal Decree with special responsibility for Sultan Qaboos University. The Minister of Higher Education is also the Vice-Chancellor of the University.

The Ministry also supervises other higher education institutions and centres of scientific research and is responsible for formulating higher education policies and administering the Law on Grants & Scholarships.

As part of the Fifth Five-Year Plan, two new colleges of higher education are being established. The Faculty of Sharia and Law in Muscat will prepare Omanis to become judges and legal experts on a four-year course that will lead to a Bachelor's degree in both Islamic Jurisprudence and Law. A Higher Judicial Institute at Nizwa will prepare students to become judges and legal advisers on a two-year post-graduate programme for which a higher diploma will be awarded.

The Ministry encourages the private sector to establish colleges and institutes of higher education. Last year a new private college for Business Administration was opened by the Oman Chamber of

▼ A reading room
at Sultan Qaboos
University.



Commerce & Industry to prepare Omanis for management, business finance, commerce and accounting.

This year the Ministry is studying applications from the private sector to set up colleges in applied technology and computer sciences. The courses, for which a diploma will be awarded, are expected to be of between one and three years duration. In addition there are plans for a Marine Sciences College in Dhofar and a Higher Institute of Arts in Sohar. It is also hoped to raise the level of intermediate teachers colleges to the standards of the College of Education in order to ease the pressure on Sultan Qaboos University.

Sultan Qaboos University

Following the inauguration of the University by His Majesty Sultan Qaboos in 1980, the construction was completed in 1986, and in September of that year the first group of students was enrolled. Originally there were five faculties: Education & Islamic Sciences, Medicine, Engineering, Science and Agriculture. The Faculty of Arts was established in 1987 and in 1993 the Faculty of Commerce & Economics was added to the University.

There are no plans at present to establish a second university, but more faculties may be added as the need arises for additional academic disciplines. For the last few years the University has been establishing graduate programmes in order to offer Masters' Degrees. In 1993 the first programmes offered were in Education and Arts and in 1995 environmental sciences were added. This year will see a graduate programme in agricultural economics and the Faculty of Medicine plans to offer a graduate programme as well. New buildings for the Faculty of Agriculture were opened earlier this year. In April the Faculty of Business & Economics organised a "job fair" for its students at the University. No less than 50 companies sent representatives to discuss career prospects with the students who will mostly be seeking employment in the private sector. This summer the first group of students from the Faculty will experience three month work placements as an integral part of their degree course.

It was originally anticipated that the University would take about 3,000 students; however there are now more than 3,600, of whom 65% are female. The total intake for the seven faculties in the 1995-96 academic year was 1,300 students. Separate residential accommodation for young men and women is provided at the University following the collegiate system. The academic year is

► His Highness Said Faisal bin Ali Al Said, Minister of National Heritage and Culture presents a prize to a young student.

► Medical students at Sultan Qaboos University - an absorbing lecture in the Anatomy.





▲ An exhibition by young Omani artists.

divided into two terms - the first term starts in September and finishes in January; the second term begins in February and ends in June with examinations.

The University has a library, computer centre, English language department and a teaching hospital. The medium of instruction in the University is Arabic, but English is used for the science courses.

Sultan Qaboos University Hospital

The 500-bed teaching hospital, which opened in 1989, has a staff establishment of over one thousand. There are 200 academic staff and some 800 supporting staff. The hospital has advanced diagnostic equipment and specialist departments for paediatrics, gynaecology, internal diseases, surgery, psychiatry, cardiac diseases and an out-patients department. The hospital serves as the principal training centre for Omani doctors.

Overseas Students

In the academic year 1995-96 there was a total of 2,836 Omani students studying at universities in a dozen different countries. 538 students are studying in Britain and 440 in the United States. There are 532 students in Kuwait, 410 in Jordan and 323 in the UAE.

YOUTH

The National Census held in December 1993 confirmed the importance attached to the young in the development of Omani society. The results of the Census revealed that 54% of the population was aged 15 or under.

His Majesty Sultan Qaboos has always encouraged the organisation of sporting and other activities for young people as an integral part of building the nation and developing human resources for the future. 1983 and 1993 were declared Years of Youth. In 1989 responsibility for youth affairs was transferred from the Ministry of Education to the Higher Council of Youth, which initiated a masterplan for the construction of sports and youth centres throughout Oman. In a recent re-organisation all sports and youth activities came under an autonomous body, the General Organisation for Sport & Cultural Youth Activities (GOSCYA) which has its headquarters in Ruwi.

Sports Facilities

The original sports complex was built at Bausher and named after His Majesty. Since then other similar complexes have been built in Salalah, Sohar and Nizwa. This year a sports complex was constructed at Sur to be ready for the National Day celebrations being held there. Many other sports clubs and grounds have been built all over the country and even some of the smallest villages boast football pitches.

A sports health centre has been established at the Sultan Qaboos Sports Complex in Bausher. With an area of 1,200 square metres, it will provide facilities for treatment of sporting injuries, as well as medical advice on diet and first aid for those taking part in sports. This centre is seen as an essential facility for future participation in competitive sport.

Honours & Awards

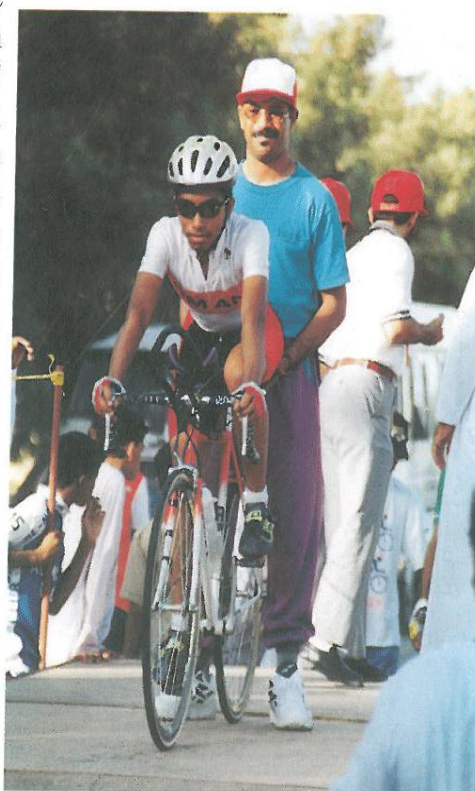
At the end of last year in a ceremony at the Sultan Qaboos Sports Complex in Bausher, 250 sporting personalities, representing the achievements of GOSCYA were honoured. Royal awards were given to all 52 clubs in the Sultanate as an expression of His Majesty's appreciation of their services to sport and the



community. Oman's under-17 teams were awarded certificates of appreciation. In September last year, the new under-17 soccer team had won the Qatar International Tournament and earlier in the year the previous under-17 team had come fourth in the Soccer World Cup held in Ecuador. The Fanja under-17 team had won the 1995 AGCC Football Clubs Championship in Saudi Arabia.

Not only footballers were honoured; Ibri Club came second in the AGCC Cultural Quiz and Liwa in the AGCC Holy Quran Competition. Awards were also presented to cyclists, swimmers and athletes, including members of the National Team that participated in the Seventh AGCC Marathon. Referees and organisers of sporting and cultural events were also honoured.

In previous years Omanis have shown





◀ Our youth take part in a tug-of-war competition aboard the Fulk al-Salama during her tour of the Gulf States earlier this year.

◀ Oman participated in the cycling events at the Olympic Games this year.

▲ Safety first - Scouts give valuable support to the ROP's annual traffic week.

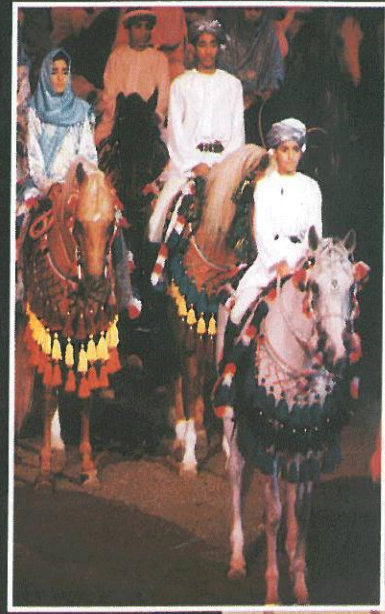
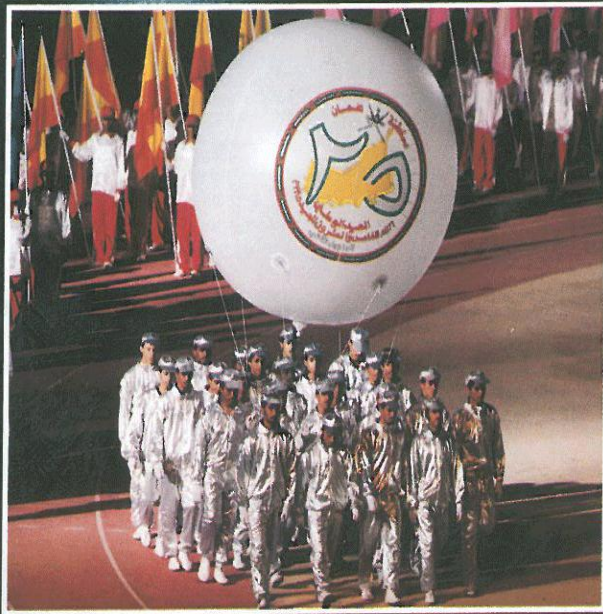
particular prowess when representing their country in a number of regional and international sporting events. In Japan in 1992, Omanis carried off a gold medal, two silver medals, four bronze medals and seven certificates from the 22nd Nippon Competition.

Mention must also be made of the five handicapped Omanis who showed their courage and determination by completing a 1,000 kilometre marathon from Salalah to Muscat in wheelchairs to celebrate the Silver Jubilee. The event was arranged by the Association for the Welfare of Handicapped Children(AWHC) and the participants were honoured by GOSCYA at a special ceremony after the event.

Oman Olympic Committee

The Oman Olympic Committee was set up in 1982 and joined other international Olympic bodies in the same year. Oman participated in the 24th Olympic Games in Seoul in 1988, in the Friendship and Peace Championship in Kuwait in 1989, in the 11th Asian Games in China in 1990 and in the 25th Olympic Games in Barcelona in 1992.

At the 26th Olympic Games being held in Atlanta this year,





Young people
celebrate the 25th
Anniversary of His
Majesty's
accession.



Oman participated in the following sports: athletics, cycling, shooting, swimming and tennis.

Women in Sport

GOSCYA has established a wing for women's sporting activities. The Women's Games, held in 1994 and comprising volleyball, basketball, squash, tennis and table tennis proved extremely popular and were enthusiastically supported.

Cultural Activities

Every year GOSCYA plans a number of cultural activities to take place during Ramadhan. Plays are staged, chess competitions are held and quiz competitions take place.

A Youth Theatre was established in 1980 and other groups give concerts, hold poetry readings and arrange literary and religious evenings.

AGCC Youth Voyage

To coincide with the 16th AGCC Summit last year in Muscat, His Majesty Sultan Qaboos directed that a Voyage of Youth would take place aboard the Diwan of Royal Court's Royal Yacht Squadron Support Ship "Fulk al-Salamah". The selection of the participants and arrangements for the voyage were co-ordinated by GOSCYA. The starting point for the voyage was Mina al-Shuwaikh in Kuwait. From there the vessel sailed to Saudi Arabia, Bahrain, Qatar and the UAE before returning for a tour of Omani ports.

SCOUTING

The origins of scouting in the Sultanate can be traced back to 1932 when a movement was started by a school master. In 1948 the first organised scout pack was formed in the Saidiya School in Muscat. Shortly after this, packs were started in the other two schools for boys in Muttrah and Salalah. Scouting for girls was not introduced until after 1970.

The National Organisation for Scouts and Guides (NOSG) was established in 1975, with the aim of inculcating in young people a sense of service and devotion to their country and to His Majesty, helping them to develop a sense of self-reliance, responsibility and public spirit. In 1983, in recognition of the keen interest he has shown in the scouting movement, His Majesty Sultan Qaboos was installed as Chief

Scout and under his patronage the movement has expanded in all areas of the Sultanate. There are 647 packs, comprising 15,286 cub scouts, boy scouts, brownies and girl guides, as well as 637 scout and girl guide leaders. In the clubs, University and colleges of higher education there are 14 rovers groups comprising 454 rovers with their leaders.

► A cautious approach - a young scout learns bee-keeping.



This is a result of the progressive and interesting programme organised by NOSG throughout the year with a variety of activities such as annual summer camps, scout meetings, Ramadhan evenings, training sessions and scouting competitions which have been entered into by large numbers of boys and girls and their leaders. In addition to this activity NOSG co-ordinates special programmes with Ministries and other Government bodies, such as health awareness, traffic weeks, student municipality weeks, world civil defence day, naval courses, community projects, assistance to pilgrims during the Hajj and Friends of the Police. The scout movement had a significant and important role to play during the Silver Jubilee celebrations last year.

NOSG also ensures that Omani scouts and girl guides show the flag at international scouting jamborees, as well as at AGCC and other Arab occasions. NOSG was invited to meet experts and leaders of AGCC groups in the 'Youth to Youth Project' and participated in the Arab Scouting Conference in Tunis, the Arab-European meeting in Switzerland, the World Scout Camp in Holland and other events. NOSG is also preparing for the Fifth AGCC Scout Camp, the information and public affairs seminar, the Wood Badge holders meeting and for participation in the Arab Scout Camp to be held in Tunis in August this year.

HEALTH

For a country that a quarter of a century ago hardly had any health care worthy of the name, the achievements of Oman in the development of its health services are outstanding. Medical services and hospital treatment are provided without charge to all Omani families.

Hospitals & Health Centres

In 1970 the average life expectancy was 47 years; today it is 68. At that time there was only one small hospital in Muscat, whereas now there are 47 hospitals, 116 health centres and 5 polyclinics throughout the length and breadth of the Sultanate. By the end of this year the new ultra-modern 482-bed hospital at Sohar will be operational and the Ministry is in the process of expanding and improving the facilities of existing hospitals. RO 2.5 million will be spent on Khoula Hospital in the Capital area. In the Interior of Oman, RO 1.2 million has been spent on a 24-bed hospital to serve some 25 villages in the Jebel Akhdar, while, in Musandam, a further RO 1 million is being spent on the hospital at Khasab. On the occasion of the 25th National Day last year a new 248-bed hospital was inaugurated at Ibri costing RO 13 million. Over twenty other projects were completed at the end of last year or early this year, including health centres at Rustaq and in the Wadi Andam each costing in the order of RO 300,000.

The Ministry also supports and encourages the opening of clinics in the private sector. At present there are 457 such clinics in the Sultanate. Although all hospitals are in the public sector there is no reason why private hospitals may not be built in future by the business community. The catering, maintenance, cleaning and other non-medical services have long been privatised in the Ministry hospitals.

In addition to the hospitals and health centres built and run by the Ministry of Health, the Ministry of Defence, the Royal Oman Police and Petroleum Development Oman provide facilities and health care for their employees and their families. The Sultan Qaboos University teaching hospital, which comes under the



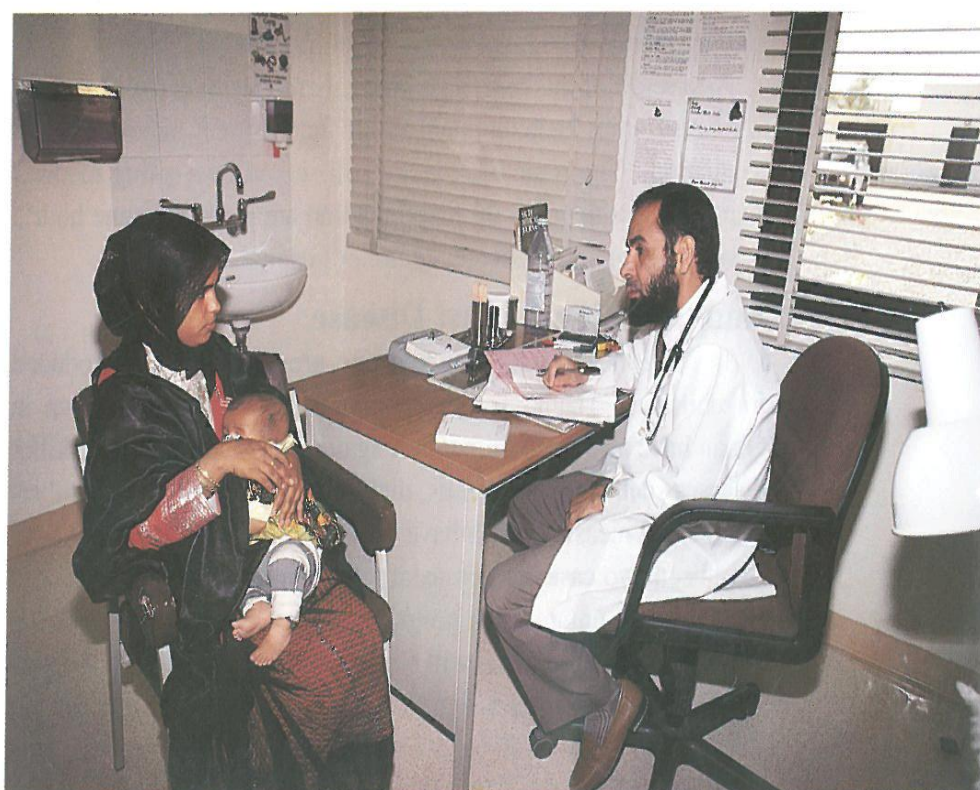
▲ Our children's health receives His Majesty's special care.

Ministry of Higher Education, has 500 beds and is the principal training ground for Oman's medical staff.

As a result of this extensive hospital and health network, access to treatment has become much easier for the great majority of the population. The remote areas are still served by visiting medical teams but less than 5% of the population are more than one hour's travelling time from a health centre or hospital.

Immunisation against Disease

In the 1980s a mass immunisation programme was introduced for children. Thanks to this programme, 97% of all children in Oman have now been immunised against the main childhood killer diseases such as poliomyelitis, diphtheria, whooping cough, tuberculosis and measles which have now become a rarity. There have only been two cases of neo-natal tetanus in the last five years as a result of the immunisation programme for women of child-bearing age. It is hoped that polio will be completely eradicated by the year 2000. There has been a significant decline in the infant mortality rate from more than 180 per 1000 live births in 1970 to about 20 per 1,000 at present.



◀ Students at the Assistant Pharmacists Institute.

In 1990, the problem of malaria peaked with 32,720 confirmed cases. The Ministry decided to wage war on the disease by phases. The first phase, covering a quarter of a million people in the Sharqia region, was started in 1990. Within two years the incidence of malaria had fallen from 5,000 to 400 cases. Following on from this success it was decided to cover the Batinah and the Wilayats close to the Capital area in 1993. By the end of 1994 the number of cases in the Batinah region had dropped dramatically from 5,300 to 2,821 cases. Similar results were obtained in other parts of the Sultanate. The total number of cases of malaria recorded in 1995 was only 1,370, of which nearly a third were imported from East Africa or the Indian sub-continent.

With the rapid development of the country and the socio-economic change in people's lifestyles, there is an increase in non-communicable diseases such as diabetes and cardiovascular illness. The older generation, who are now living longer, are particularly prone to diseases of this kind, while the younger generation are the main casualties in traffic accidents, which now account for 1.4 deaths per day. The incidence of cancer is very low in Oman compared with other developed countries, but health officials are aware that cases will increase and are taking steps to encourage a healthy diet and to reduce smoking in the community. At the beginning of this year a total ban on smoking was imposed in all Government offices.

The Ibn Sina Hospital and the Sultan Qaboos University Hospital are equipped to deal with mental health problems and are in the process of developing psychiatric services in Oman. Fortunately, drug addiction is not a serious problem, thanks to co-operation between the Royal Oman Police and the Ministry. Cases of AIDS, which are all reported to the WHO, are few and far between, but the Ministry goes to considerable lengths to produce educational material and to heighten public awareness of the risks involved. The import of blood and blood products has long been banned and all blood used in transfusions is screened not only for AIDS but also for other infections such as the hepatitis virus.

◀ Clinics are now available to all.

Earlier this year, for the first time the Ministry published a booklet to encourage blood donation and to help dispel the misconception that giving blood is harmful to the donor. About 30,000 units



of blood are required annually, mainly for the treatment of road accident victims.

▲ Nurses under training at the Institute of Health Sciences, al-Wattayeh.

Birth Spacing

Oman has a fertility rate of 3.7% which not only doubles the population every twenty years but also creates health problems for mother and child. His Majesty the Sultan has advised his people to limit the number of children per family and the Ministry has launched a campaign to put across the message that birth spacing is not against the customs of Oman, but is essential for the well-being of the whole family. Advice is given to mothers in all health clinics on how to limit the number of pregnancies.

Health Education

The Ministry lays great emphasis on all aspects of health education, believing that prevention is better than cure. Attention is paid to hygiene and sanitation in order to eliminate common communicable diseases like diarrhoea and acute respiratory infection to which children are particularly vulnerable.

Training of Medical Staff

The Faculty of Medicine at Sultan Qaboos University started functioning in 1986 and is currently training 584 Omani doctors. There are eight nursing institutes in Oman, one in Muscat and seven in the Wilayats, at present training 773 Omanis. Since 1985, 486 nurses have graduated from these institutes.

There are four other health training institutes in Oman.

The Institute of Health Sciences has trained 141 medical laboratory technicians since 1986, 49 radiographers and 32 physiotherapists since 1990, and 10 dental surgery assistants since 1994.

93 Health Inspectors have graduated from the Oman Institute of Public Health since 1993. 31 health inspectors graduated this year and another 28 are expected to graduate in 1997. Similar numbers of young Omani men and women will graduate from the Oman Institute of Assistant Pharmacists and the Oman Institute of Health Education.

With the increased efforts to train and subsequently employ Omani nationals in place of expatriates, the proportion of nationals among medical is about 35%, keeping pace with the expansion of health services over the last few years.

In 1992 the Ministry of Health issued a policy statement, reiterating Oman's commitment to provide comprehensive integrated, preventive, as well as curative and rehabilitative health services through regional health programmes in order to achieve the goal of health for all by the year 2000. Since then more and more of the health services have been decentralised, operating at regional level with their own budgets and administration. To keep track of developments the Ministry has a management information system which is fully computerised at both national and regional levels.

HOUSING

At the end of 1984 a Ministry of Housing was established to take over the responsibilities for town planning and land allocation from the Ministry of Lands and Municipal Affairs.

His Majesty Sultan Qaboos has directed that every Omani should be allocated one plot of land in the area where he works and another plot in the area where he lives. The target is to provide housing for all by the year 2000. In spite of the increase in population this goal is being achieved through the best efforts of the Ministry which attaches great importance to the preparation of detailed planning for all regions of the Sultanate. It is evident from the 1993 census that nearly 90% of Omanis now own their own homes.

Town Planning & Land Distribution

During 1995 the Ministry developed 185 plans providing 26,312 plots of land for various uses throughout the Sultanate.

Social Housing Programme

As early as 1973 a low cost housing scheme for those on limited incomes was introduced. In 1977 with the issue of the Social Housing Law, this scheme was updated. The Government provides the basic infrastructure, such as access roads, water and electricity, while the residents only pay a monthly instalment of RO 25 towards the cost of their home, for which on average the Government will have paid between RO 14,000 and RO 16,000 to construct. To qualify for the scheme an applicant must be:-

1. An Omani national or have become a naturalised citizen three years before making the application.
2. Not less than 21 and not more than 50 years of age, unless he is the family's sole provider.
3. He must not be a beneficiary of any other housing scheme in the Sultanate.
4. He must not be the sole owner of any other dwelling.
5. He must be a citizen of the Wilayat or governorate in which the dwelling is situated.
6. His income must not exceed RO 3,000 per annum.
7. He must not have been granted land for housing by the Government.

During the Fourth Five-Year Plan the emphasis was changed from

► ▲ Beautiful examples of traditional Omani architecture carefully retained in modern design.



OMAN/96

173

providing homes to giving soft loans, and in 1991 a soft housing loan scheme was introduced to supplement the Social Housing Programme. However in 1995 the Ministry provided 56 homes for those on limited income, 33 of these houses were in Muscat and 23 in other parts of the Sultanate.

Soft Housing Loan Scheme

Interest free loans are granted on condition that the borrower repays it in equal monthly instalments before his retirement from either the public or private sector. The borrower must not be over 60 and the monthly deduction from his salary must not be detrimental to the family's overall income. He may borrow up to RO 15,000 but the size of the loan is determined by the age and needs of the applicant which are scrutinised by the Ministry. Loans are granted for the following purposes:-

1. To build a house.
2. To purchase a ready-built house.
3. To buy and complete an unfinished house.
4. To complete an unfinished house.
5. To extend an existing dwelling.
6. This scheme gives more choice and flexibility, particularly to those in the agricultural and fishing sectors who wish to repair existing family homes and do not want to leave their villages. In 1995 the Housing Loans Committee, under the chairmanship of the Under-Secretary of the Ministry, held 25 meetings to review 717 cases for housing loans. 425 cases were approved, 290 refused and two cases postponed for further consideration.

Housing Assistance Programme

This programme is designed to help those who do not qualify for other entitlements or loans. In granting assistance, priority is given to families who have suffered in natural disasters, such as flood victims, and then to families on social security or those with incomes of not more than RO 129 per month. The assistance is given as a Government grant not exceeding RO 6,000. During the fourth Five-Year Plan nearly RO 10 million was allocated to the Housing Assistance Programme. In 1995 just under half a million Rials was given as housing assistance in the Governorate of Muscat alone. In other areas of the Sultanate no allocation was made but over a quarter of a million Rials were spent from the previous year's outstanding budget.

Real Estate Register

The Real Estate Register safeguards the property rights of owners. In 1995 the Ministry dealt with 14,535 sales of property and registered 41,978 contracts of ownership, as well as recording 6,718 other transactions concerning inheritance and exchange of property. During the year the property files for the Governorate of Muscat were computerised. The Land Affairs Committee in Muscat and local committees in the Wilayats are responsible for deciding on ownership applications. The local committees are chaired by the Wali of the area concerned and there is an Appeals Committee chaired by the Minister of Housing.

In 1995 the Muscat Land Affairs Committee met fortnightly to examine 544 cases, while the local Wilayat committees looked into a total of 5,931 cases of property ownership. During the year 425 cases went to the Appeals Committee.

Training & Omanisation

In accordance with the directives of His Majesty, particular attention has been paid to training and Omanisation of positions within the Ministry, by sending staff on courses both at home and abroad. Three members of staff have been sent to Egypt and the USA to obtain higher degrees, while, in coordination with the Ministry of Civil Service, 36 secondary school leavers and technical college graduates have been sent to the United Kingdom to study to become surveyors and town planners. A number of courses have also been arranged in Oman – these range from attachments to the Oman Housing Bank, the Institute of Public Administration and the Oman Chamber of Commerce & Industry to courses in financial administration, human resources development, English at the British Council and software programmes at the National Computer Institute.

The Ministry has adopted a decentralisation policy to enable citizens living in the wilayats to complete their applications for land and loans as quickly and efficiently as possible. Directorates have been established in various parts of the Sultanate. Each directorate has a land survey and planning section as well as a branch of the Real Estate Register.

Oman Housing Bank

The Oman Housing Bank provides finance to low and middle income families for the purpose of construction, purchase, addition and completion of residential property. The Government of Oman is the major shareholder with equity of 60.9%. The rest of the shares are held by state pension funds.

NATIONAL HERITAGE & CULTURE

Omanis are justly proud of their heritage and history, which goes back thousands of years. In order to safeguard this precious birthright and the long established traditions of Omani society, His Majesty Sultan Qaboos directed that a Ministry of National Heritage and Culture be established in 1976.

In preparation for the Silver Jubilee, the year 1994 was declared the Year of National Heritage. Major plans and programmes were initiated to celebrate the occasion.

Manuscripts & Documents

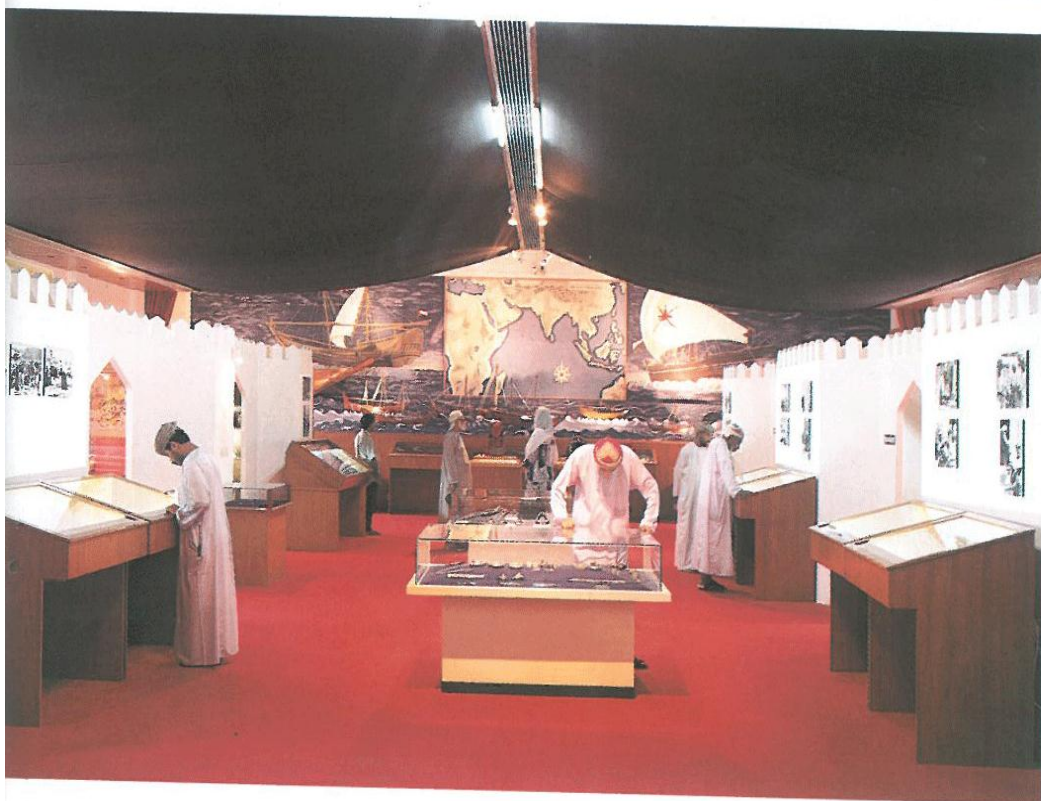
With the co-operation of the public, the Ministry of National Heritage has gathered together no less than 4,394 valuable documents over the years. In 1994 a Manuscript Competition was held with prizes being awarded to the three Wilayats submitting the best collection of documents and in 1995 a further 75 documents came to light. A centre has been established for storing and researching the documents. There is also an Islamic Library containing a wide range of religious works.

Museums

Several interesting museums are popular with Omani school-children and visitors to the Sultanate. The Omani Museum, established in 1974 at Medinat al-Alam, has been renovated and is now distinguished by a massive wooden entrance door in the Omani tradition. The surroundings have been improved and the layout of exhibits re-arranged and expanded. In Muscat the Omani-French Museum, which was the French Consul's residence in 1896 has been restored to its former glory. A museum in a completely different modern setting is the Children's Museum, where children can learn, through 'hands on' experience, basic scientific principles. The historic fort at Sohar also contains a museum and there are plans to install exhibits in the Cultural Centre in Salalah.

One of the most visited museums, situated within the Ministry's complex, is the Natural History Museum. In 1995 a fossils exhibition was added as a National Day gift to the nation from PDO. This museum, with its whale hall and displays of animals and birds, has

► Displays at two of Oman's interesting museums.



an educational purpose as well as being of interest to tourists. Mention should also be made of two places appreciated by visitors but not part of the Ministry - the Sultan's Armed Forces Museum at Bait al-Falaj and the permanent Oil & Gas exhibition at Mina al-Fahal.

Exhibitions

The Ministry has organised numerous exhibitions at home and abroad. Oman participated in the Spanish 'Expo' at Seville in 1992, and in 1994 and 1995 held a 'Sea & Forts' exhibition at l'Institut du Monde Arabe in Paris. In October last year, in accordance with the wishes of His Majesty Sultan Qaboos, an Omani Cultural Exhibition was held at the Congress Building in Washington. It was organised by the Diwan of Royal Court in conjunction with the Ministry of National Heritage & Culture and the Ministry of Information. The exhibition included pictures, manuscripts and artefacts reflecting Oman's natural beauty, history, culture and heritage.

► His Majesty's birthday is celebrated with music and dance.

Forts & Castles

One of the major achievements of the Ministry has been the restoration of over 100 historic forts and castles, most of which are now open to the public as some of Oman's foremost tourist attractions. The painstaking restoration was carried out to preserve a precious and unique part of Oman's heritage, but the time and money spent has been well repaid by the international interest shown in the project. Work continues at Bahla, which has been listed as a World Heritage Site by UNESCO. The restoration of Oman's historic buildings has been carried out with the assistance of Moroccan experts under an agreement signed in 1983. There are many other fine buildings worthy of preservation, such as the more modest Bait Nasib Khan in Muttrah, which was for many years used by the British Council.

Archaeology

Oman has numerous important archaeological sites, many of which are still being excavated during the winter season. The work is carried out by foreign teams of experts under the supervision of the Ministry. A German team has been investigating the fort at

► Ladies' typically Omani silver jewellery.



Nizwa, while French and Italian archaeologists have found evidence at Ras al-Junayz to support the theory found in Greek and Latin writings that Oman traded with India, Mesopotamia and East Africa 3000 years ago. Past discoveries at Ras al-Hamra, Bat, Sohar and other sites have shed interesting and invaluable light on Oman's early civilizations. The rediscovery of the ancient city of Ubar in the sands on the edge of the Empty Quarter in Dhofar was made in 1992, aided by satellite technology.

Traditional Crafts

The Ministry is responsible for preserving Oman's arts and crafts. In 1986 a traditional pottery was opened in Bahla and a textile weaving workshop in Sumail. Young Omanis are encouraged to learn and keep alive ancient skills, such as precious metalwork and woodcarving. At Sur, shipbuilding in the traditional manner can still be seen. Many of the magnificent old wooden ships have disappeared, but the people of Sur have preserved a 220-tonne vessel, the 'Fateh al-Khair', on dry land.

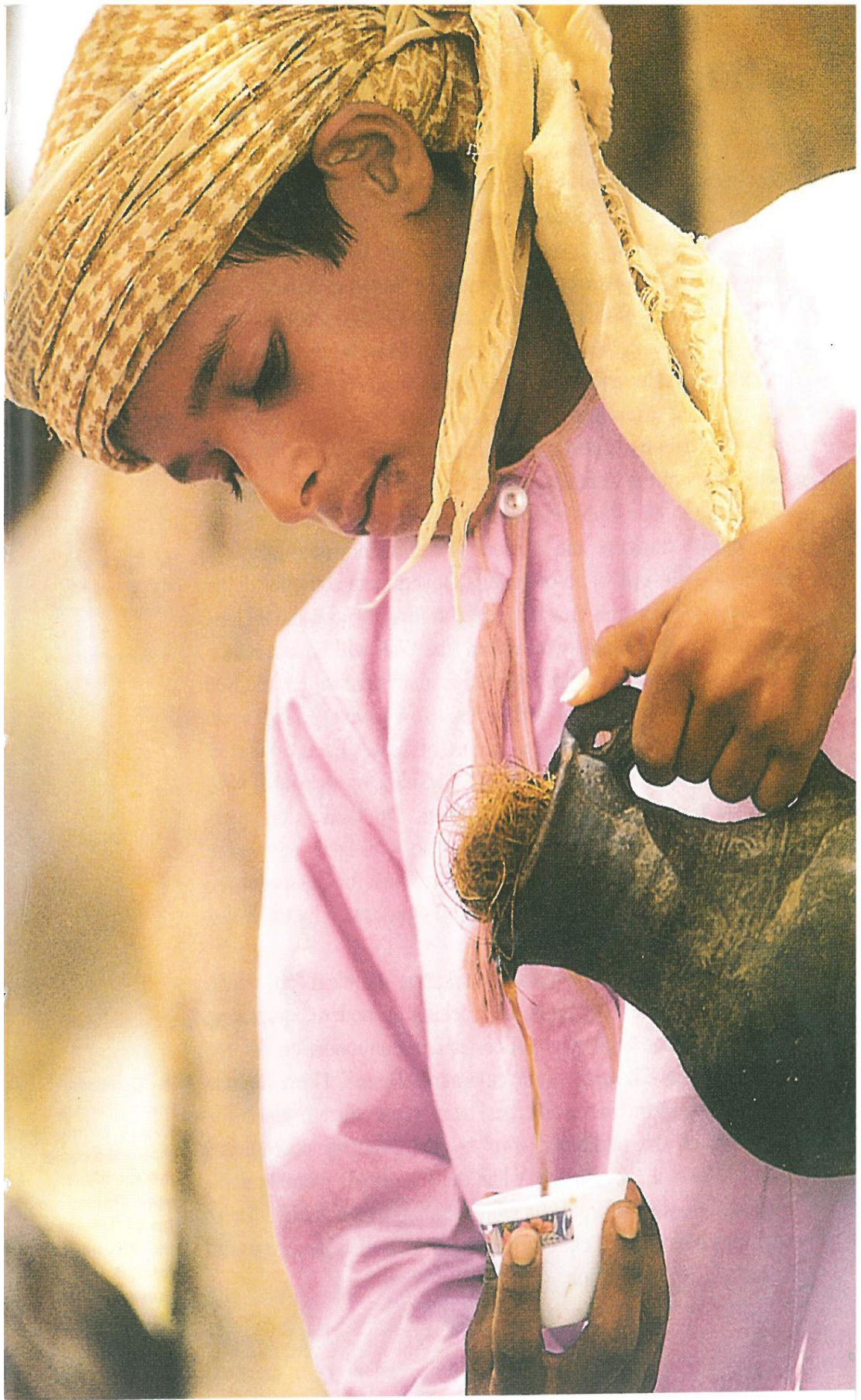
The Voyage of the 'Sohar'

It was at Sur that the replica of an ocean-going Omani sailing ship was built in 1980 to sail to Guangzhou (Canton) in China. After its epic voyage the 'Sohar' was brought back to Oman and is preserved on land near the al-Bustan Palace Hotel. Last year to mark the Silver Jubilee, a monument was constructed in Canton commemorating the Voyage of the 'Sohar' and the historic links between Oman and China.

Natural History

Since 1985 when the first phase of the Natural History Museum was opened, there has been growing interest in Oman's wildlife heritage and natural environment. Visitors to the Museum have increased each year from 11,000 in 1986 to 29,000 in 1995. The diversity of Oman's wildlife is shown in dioramas, displaying 24 mammals, 59 birds, 30 reptiles and hundreds of seashells and insects. A National Herbarium has been established, as well as a botanic garden of Omani trees and shrubs. For the scientist the Museum maintains a wealth of study collections of Oman's flora and fauna. The Museum has close links with Sultan Qaboos University and allied scientific institutions in the Arabian Gulf and abroad.

► The ceremonial of Omani hospitality.



INTERIOR

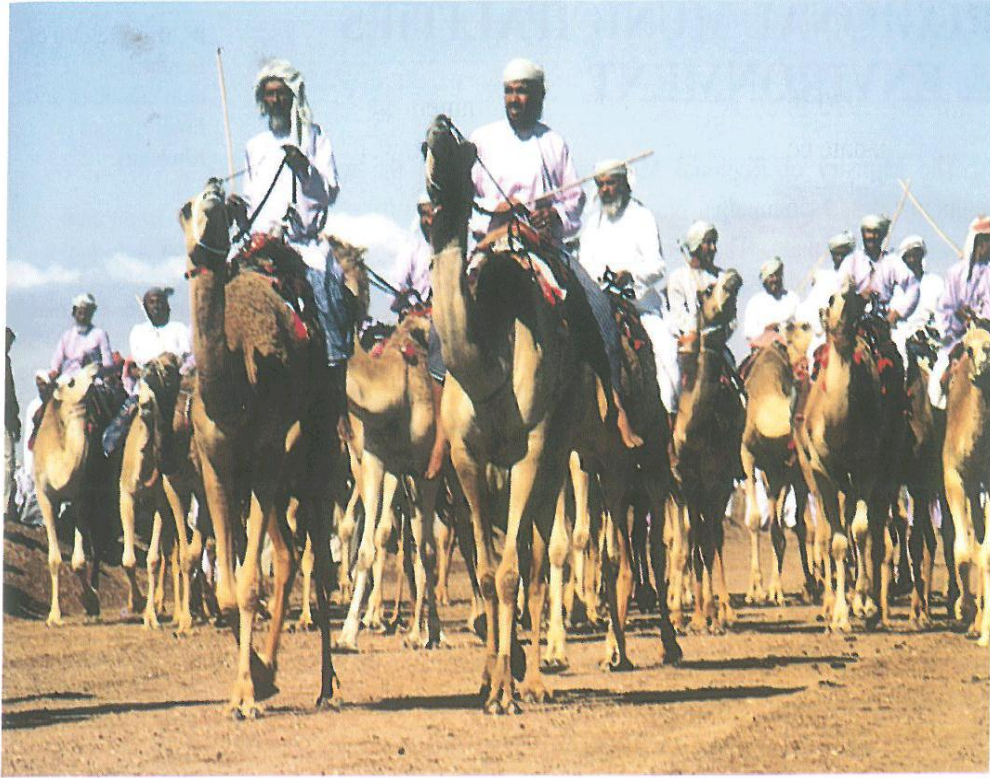
Before 1970 the traditional form of government in the Interior of the Sultanate consisted of the tribal Shaikhs, who were responsible to the Sultan's representative or Wali of the region or Wilayat in which their community lived. The Walis were responsible to the Minister of the Interior who represented the Sultan in Muscat.

Today the basis of this system has been maintained, but the Wali of today has to work in a very different way from his predecessors. There are three Governorates: of Muscat, Dhofar and Musandam, where fifteen Walis report to the appropriate Governor. The Governor of Dhofar is also a Minister of State. There are 44 Walis in other parts of the Sultanate who are responsible to the Ministry of the Interior. The Walis and their offices form an important link between past tradition and modern Government administration. The Wali has the task of co-ordinating Government activities in his area. Several Ministries now have decentralised offices and regional directors in the regions with whom the Wali will be in contact. At one time the Wali would have had a small band of armed men called 'Askars' to keep law and order. Now in every large town there is a Police Station and a Court of Law. Each of the 59 Wilayats is represented in the Majlis al-Shura by delegates with whom the Wali will be in close association. The Wali will regularly chair local committees on matters to do with land registration and other development matters. Applications for passports are scrutinised in the Wali's office before being processed by the Royal Oman Police.

At one time the Wali lived and worked in the local fort, which was often in a state of disrepair and lacking in modern equipment. The Ministry has built new offices and accommodation for the Walis, who now have modern communications. However one ancient democratic institution has been reintroduced, since the restoration of the traditional forts by the Ministry of National Heritage. This is the 'Barzah' when the Wali holds monthly audiences to discuss local problems with members of the public. These gatherings have proved extremely popular as well as being a useful channel of communication.

► The lordly camel has its special place in Oman's culture and long history.

► Traditional horse racing is held in the Interior during the cooler months of the year. Omanis are famed throughout the Arab world for their horsemanship.



REGIONAL MUNICIPALITIES & ENVIRONMENT

The Ministry of Regional Municipalities controls the work of 43 municipalities, 14 municipal branches and 22 cleaning offices in remote areas of the Sultanate. The Ministry was established in 1985 and in 1991 was merged with the Ministry of the Environment. In 1994 construction of a new ministry building began with the result that all offices of the Ministry are now under one roof at al-Khuwair.

Town Development

It is the Ministry's policy to develop Oman's towns and provide them with all the necessary infrastructure, services, facilities and aesthetic standards expected in a modern environment. The Ministry has launched an ambitious plan to develop the ancient and traditional towns of Nizwa, al-Buraimi, Sur and al-Rostaq. The plan will be carried out in phases and will include road surfacing, street lighting, tree planting, and landscaping. New markets, abattoirs, car parks, public parks, playgrounds, sun shelters and

► The Ministry of Regional Municipalities and Environment (al Khuwair).

► Traditional architecture at a roundabout is a reminder of Oman's rich heritage.

▼ The Muscat Gate dominates the entrance to the Capital, and at night adds the splendour of its illumination to those of the city.

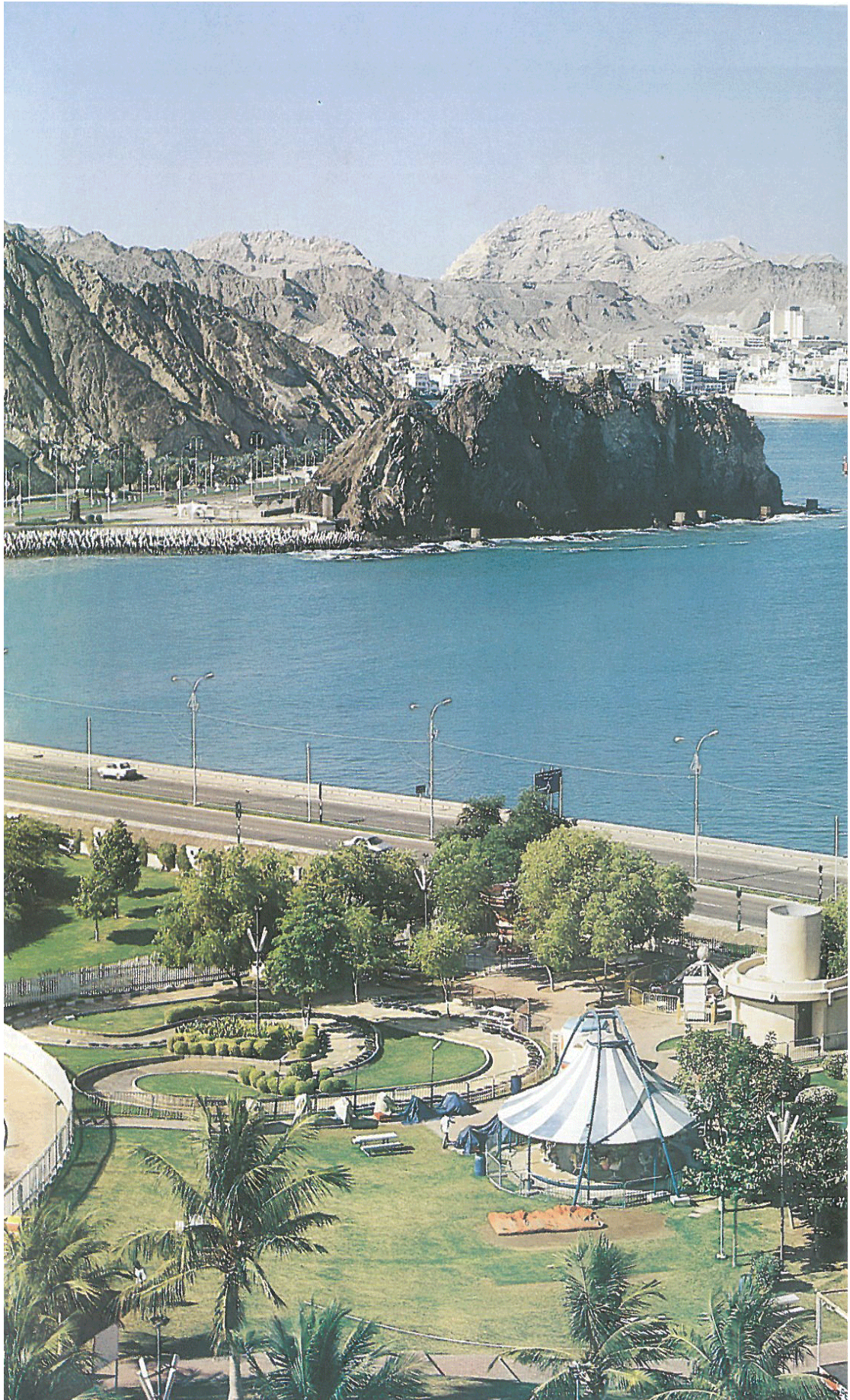
►► The entrance to Oman's principal port - Mina Sultan Qaboos.

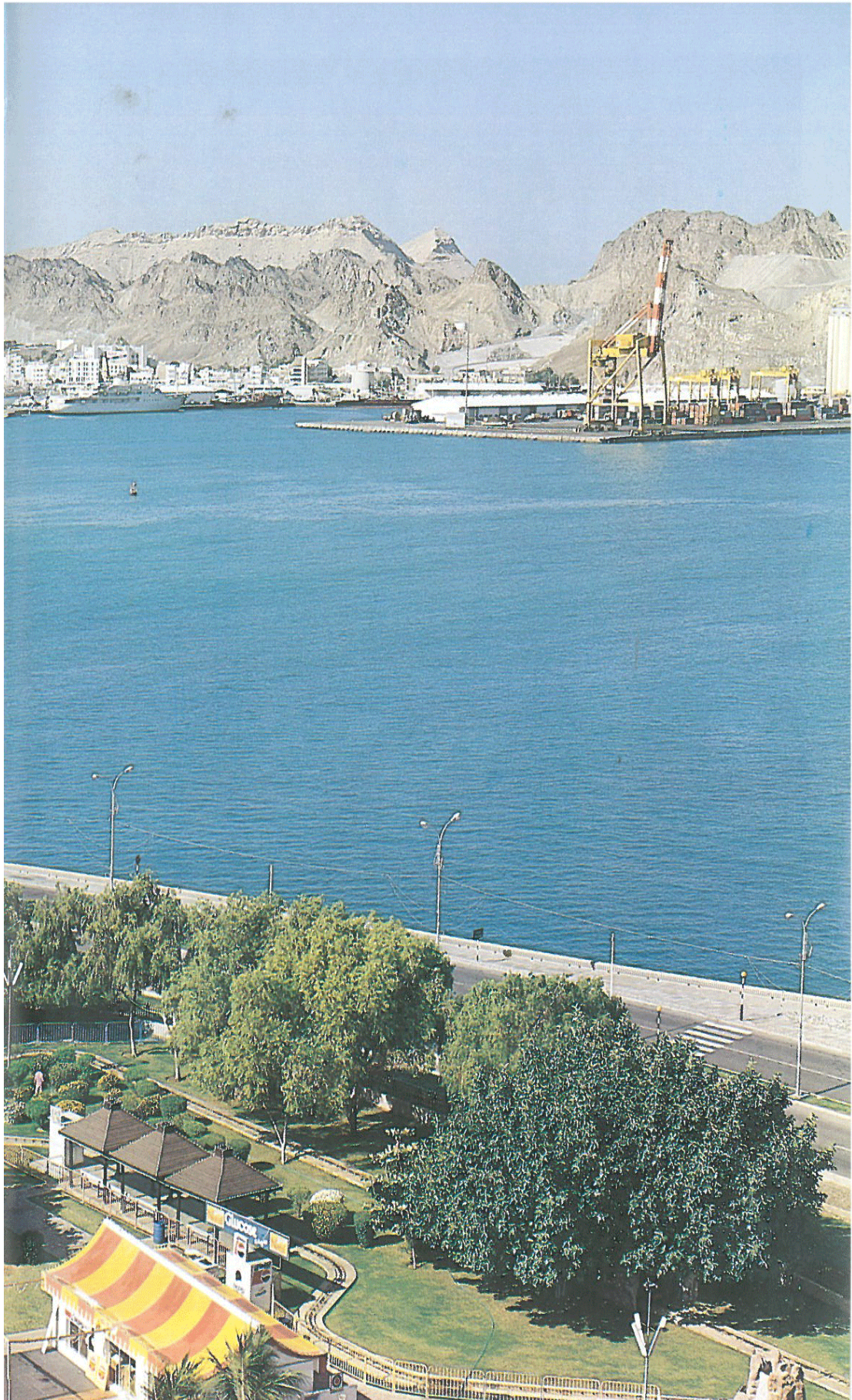




OMAN/96

185







public conveniences are to be built. The facades of buildings and places of historic interest to tourists will also be restored. Since these projects are nearing completion, the plan is being extended to Ibri, where reconstruction of the old market and the roads leading to it has begun. On the Jebel Akhdhar a municipality building is being built and roads, a market and a sewage treatment plant will also be constructed.

With all these development schemes, the Ministry is taking care that the historic character and ancient identity of the towns are not lost.

Priority is being given to the cleanliness and hygiene in towns, particularly to the treatment and disposal of sewage. Having completed several studies, the Ministry intends to implement sewage projects in nine towns - Nizwa, Sumail, Ibri, al-Buraimi, Ibra, Sur, Saham, al-Rostaq and Khasab. There are also plans to recycle waste water so that it can be re-used for landscaping purposes in place of precious potable water resources.

Municipal Services

The Ministry has responsibility for providing the usual municipal services such as environmental health, public hygiene, pest control, inspection of food and monitoring of water quality.

Each October a 'Municipalities Month' is held. This annual event is designed to heighten public awareness of the importance of high standards in health and hygiene and to show the measures being taken by the municipalities in the public interest. There is a 'Best Municipality' award presented by His Majesty as well as a cash prize. In 1995 it was won by the Wilayat of Mahdhah. The runner-up was the Wilayat of Saham, followed by the Wilayats of Khasab, Sumail and Ja'alan Beni bu Ali. His Majesty's award for the best environmentally-friendly industry went to the Raysut Cement Factory for the third year running. Recognition was also given to municipalities that had made special efforts in the competition and individuals were similarly honoured.

Muscat Municipality

A sign of things to come and an indication of the problems facing municipalities in the age of the motor vehicle was the introduction of the first parking meters to be seen in Oman. In February this year, 110 meters were positioned along the length of Ruwi high street, providing over two hundred parking places. The meters work on solar energy and take cards, similar to telephone cards, as well as cash.

◀ A scene from one of Oman's many parks.

◀ Muscat Municipality, together with other Ministries and organisations, organised a festival in Qurm Nature Park in aid of the disabled.

Environment

The Sultanate of Oman's imaginative and forward-looking environmental protection and conservation policies have won international recognition. The United Nations Environmental Programme has cited Oman as a country with one of the best records in environmental conservation and pollution control measures. The first environmental legislation was enacted in 1974 and, in 1979, His Majesty the Sultan decided to chair the Council for Conservation of the Environment and Prevention of Pollution. In May 1984 Oman became the first Arab country to set up a Ministry exclusively concerned with the environment. On the eighth of January each year, Environment Day is celebrated in Oman.

The Sultan Qaboos Prize for Conservation was initiated by His Majesty in 1991, and was awarded for the first time to the Mexican Environmental Study Centre. It is awarded every two years to a conservation body or individual chosen by UNESCO for environmental performance. In 1993 it was received by a Czech scientist, and in 1995 was won by the African Republic of Malawi for the management of the Lake Malawi Nature Reserve.

In 1990 a seven-year coastal zone management project was completed in response to the threat posed by rapid urban development. This project, which covered the entire 1,700km-long coastline of the Sultanate involved detailed ecological surveys of the coastal regions, the sea and offshore islands, with the result that Oman has one of the most intensely-studied coastal environments in the world for management purposes. The Ministry stages regular oil pollution control exercises with Petroleum Development Oman, the Royal Oman Police and the Ministry of Defence to test the effectiveness of the National Oil Spill Contingency Plan (NOCP) in the event of a major oil spill. Oman also cooperates with her neighbours on pollution control through participation in the Regional Organisation for the Protection of the Marine Environment (ROPME).

In 1995 a Royal Decree authorised the Minister of Regional Municipalities & Environment to sign the United Nations Agreement on the Prevention of Desertification in countries facing severe arid conditions.

Development & the Environment

The Sultanate of Oman has always struck a judicious balance between the needs of development and the environment. Industrial construction projects have to have a certificate from the Ministry before they are allowed to go ahead. Before issuing a certificate the Ministry examines the possibility of damage to the environment and ensures that all measures

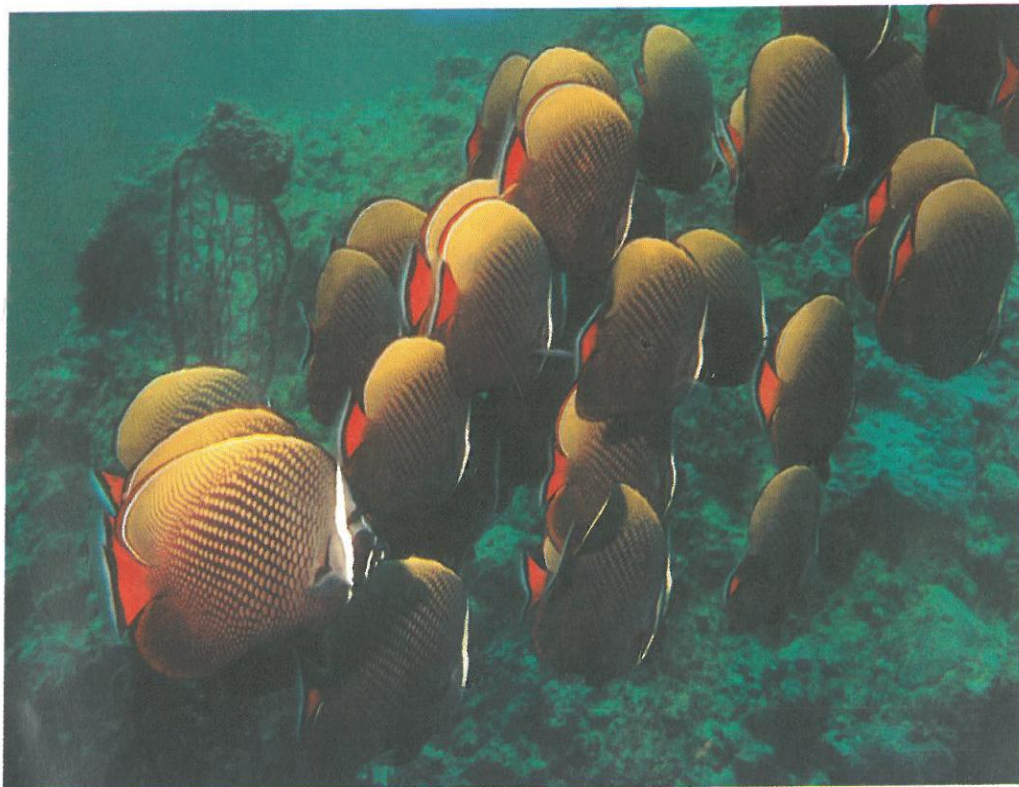
have been taken to minimise pollution from waste products.

Wildlife

Oman has a wide variety of wildlife, some of which is now extremely rare. Strict laws exist to protect wildlife from being hunted, and nature reserves have been established to prevent encroachment on the natural habitat of species, such as leopards, hyenas, oryx, gazelle, tahr, ibex, desert foxes, antelope and wild cats. Thirteen different kinds of whales and dolphins have

► Protecting the environment - oil spillage is extracted from the sea.

▼ An exotic butterfly fish - one of many species that thrive in Oman's unpolluted waters.



been recorded and some 400 species of birds are to be found in Oman at different seasons of the year.

Nature Reserves

The turtle breeding beaches at Ras al-Hadd are a protected site to which entry is only allowed with a permit from the Ministry. The Daymaniyat islands, north west of Muscat, are designated as a bird sanctuary to which entry is restricted during the breeding season. The Wadi al-Sarin in the Wilayat of al-Amerat is home to the Arabian taher, a mountain goat unique to Oman, and the Arabian Oryx Sanctuary on the Jiddat al-Harasis, where the Arabian oryx has been re-introduced was listed as a World Heritage Area in 1994 by UNESCO on its World Natural and Cultural Heritage Register. At the same time the project boundary was extended to hold increasing numbers of oryx - latest estimates put numbers in the herd at just under 300 - which roam at will.

The Arabian Oryx

The last oryx in the wild were exterminated in 1972. In 1976, His Majesty Sultan Qaboos decided that a way should be found to allow their return to Oman. This was done and in 1982 the first oryx were released into the wild from the captive herd.

Endangered Species

Particular care is taken to protect endangered species, for example, the houbara bustard is protected in Oman, which has the largest population of bustard in Arabia. In January this year, an international meeting was held at Sultan Qaboos University to discuss how to protect this shy desert bird which has been hunted nearly to extinction. The meeting was arranged by the Ministry in conjunction with the International Union for Conservation of Nature (IUCN).

Rare Plants and Trees

As well as wildlife, Oman's plants and trees are of great scientific interest. In Ja'alan a rare tree (*cordia perrottettii*), which occurs in Dhofar, was discovered earlier this year. It is believed to be the last of its kind in Northern Oman and is perhaps a survivor from a bygone age when the monsoon climate extended over more of Oman.

JUSTICE, AWQAF AND ISLAMIC AFFAIRS

Islam is the religion of the Sultanate of Oman which was one of the first countries to accept the teachings and doctrine of the Prophet Mohammed. Oman developed its own branch of Islam, named Ibadhism after its founder Abdullah ibn Ibadh who lived in the seventh century AD. Not all Omanis are Ibadhi Muslims, many are Sunni and there is also a small Shia minority. However apart from the historical differences there are no divisions in society between one branch of Islam and another and Omanis are tolerant not only of the beliefs of their Muslim brothers but also of the many Christians in the foreign community who are allowed to practise their own religion.

In his National Day speech in 1994, His Majesty re-affirmed his country's tradition of religious broadmindedness. Condemning fanaticism based on a lack of correct knowledge among some Muslims which could lead to violence, discord and hatred, he gave a reminder that Islam rejects such exaggeration and bigotry because it is the religion of liberality.

Justice

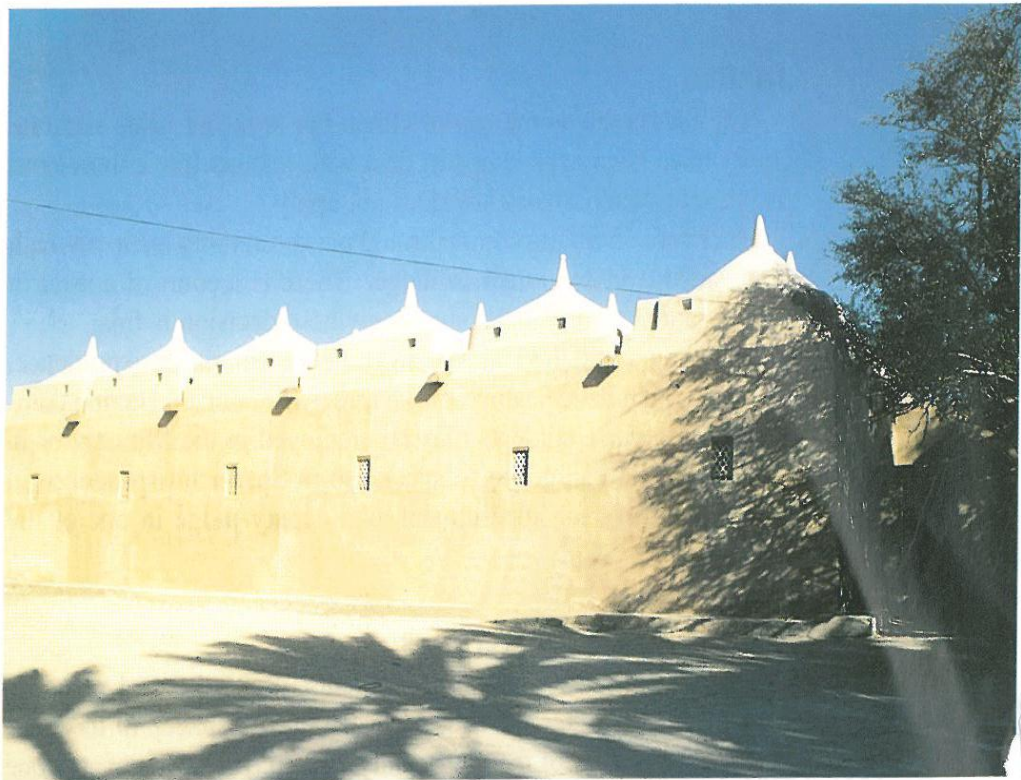
The Sharia law is the law of Oman but in recent years separate courts have been established to deal with matters like commercial disputes to which Sharia law does not apply.

There are 45 Sharia courts throughout the country each of which is presided over by a qadi or judge. There is a court of appeal in Muscat and a complaints committee whose decision is final.

The law is studied at the Institute of Sharia Jurisprudence, Counsel & Guidance, which runs a three year course. Having completed this course students may be employed in the Ministry or in the courts, but can go on to specialise in Sharia Jurisprudence in order to qualify for appointment as a deputy judge in one of the courts.

Awqaf & Islamic Affairs

The awqaf are religious endowments, properties and revenues which are administered by the Ministry for the upkeep of mosques and for the benefit of the community. The payment of zakat is one



◀ The Ministry of Justice, Awqaf and Islamic Affairs building al-Khuwair .

of the Pillars of Islam. It is a religious wealth tax to help the needy which every Muslim has a religious obligation to pay according to his means. It is collected and administered by the Ministry.

The Ministry is responsible for the teaching of the Holy Koran. There are more than 500 Holy Koran schools in which boys and girls are introduced to their religion as well as reading and writing before they enter the stage of formal education. The Ministry runs holiday centres for teaching the Holy Koran when the secular schools are closed for the vacations.

The Pilgrimage

The Hajj or Pilgrimage is also one of the Pillars of Islam. The Ministry is responsible for co-ordinating the arrangements for pilgrims to travel to Mecca. Pilgrims are first of all registered and then prepared both spiritually and physically to undertake the Pilgrimage. The Ministry also ensures their good health and well being during the course of their stay in Saudi Arabia. The Omani Haj mission this year was accompanied by a 38-member medical team comprising 13 physicians, 12 nurses, five pharmacists and eight administrative staff. Representatives from the Royal Oman Police and the Ministries of Health and Information also went with the Mission.

Publications

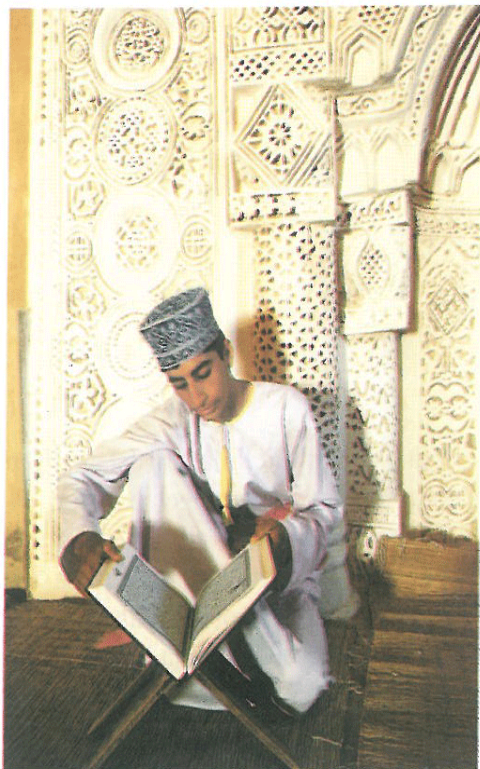
At the beginning of Ramadhan this year the Ministry published the Holy Koran in thirty volumes for distribution to mosques and schools. The Ministry has also published a directory of Oman's mosques.

According to statistics released by the Ministry, 76 expatriates converted to Islam during 1995. They included 28 Filipinos, 22 Sri Lankans and 19 Indians. All but thirteen of those who embraced Islam were women. To assist those who wish to become Muslims the Ministry has issued two booklets, both prepared by the Grand Mufti, His Eminence Shaikh Ahmed bin Hamed al-Khalili, to explain the basic tenets of Islam.

◀ The carefully restored al-Hamouda Mosque in the Ja'alan.

The Sultan Qaboos Mosque

At the beginning of last year His Majesty the Sultan announced the construction of a new mosque in Bausher which will hold 15,500 worshippers. The mosque, which is due to be completed



shortly, will include a library and centre for teaching religious studies. The mosque, which is clearly visible beside the main road leading from the airport to Muscat, is the largest in the Sultanate. The project is being implemented at His Majesty's personal expense by the Diwan of Royal Court.

Many historic mosques have been renovated, like the oldest mosque in Oman at Sumail. The first mosques were simple buildings, often indistin-

◀ A young man studies the Holy Koran.

guishable from the surrounding houses. There were no minarets and little or no adornment; however some fine decoration still survives in ancient mosques at Manah and Nizwa. If possible mosques were always sited close to the village falaj so that the worshippers could wash before prayer. The many beautiful mosques built over the last twenty-five years are not only an expression of the devotion of Omanis to their religion but also a marvellous and varied display of all the features of Islamic architecture through the ages.

Mosques in Oman are not open to non-Muslims and unlike mosques in some other parts of the Islamic world are not considered to be a tourist attraction. The mosque has a very special place in the hearts and minds of the community and must be preserved as a holy place. Earlier this year the Ministry published a decision banning advertising hoardings and boards on or near the walls of mosques so as to preserve their sanctity.

► The new Sultan Qaboos Mosque in Rustaq.



CIVIL SERVICE

The Ministry of Civil Service was established in 1988 and in 1992 a Royal Decree was issued defining the functions of the Ministry. The principal aim of the Ministry has been the modernizing and streamlining of the Civil Service to make the machinery of government more effective and less bureaucratic.

One of the primary aims of the Civil Service is to provide Omanis with the right qualifications to realize their potential and contribute to the development of their country. In 1988 the new Ministry introduced an Omanisation plan, in accordance with the directives of His Majesty to replace expatriates with trained Omani personnel without detriment to the efficiency of the Service.

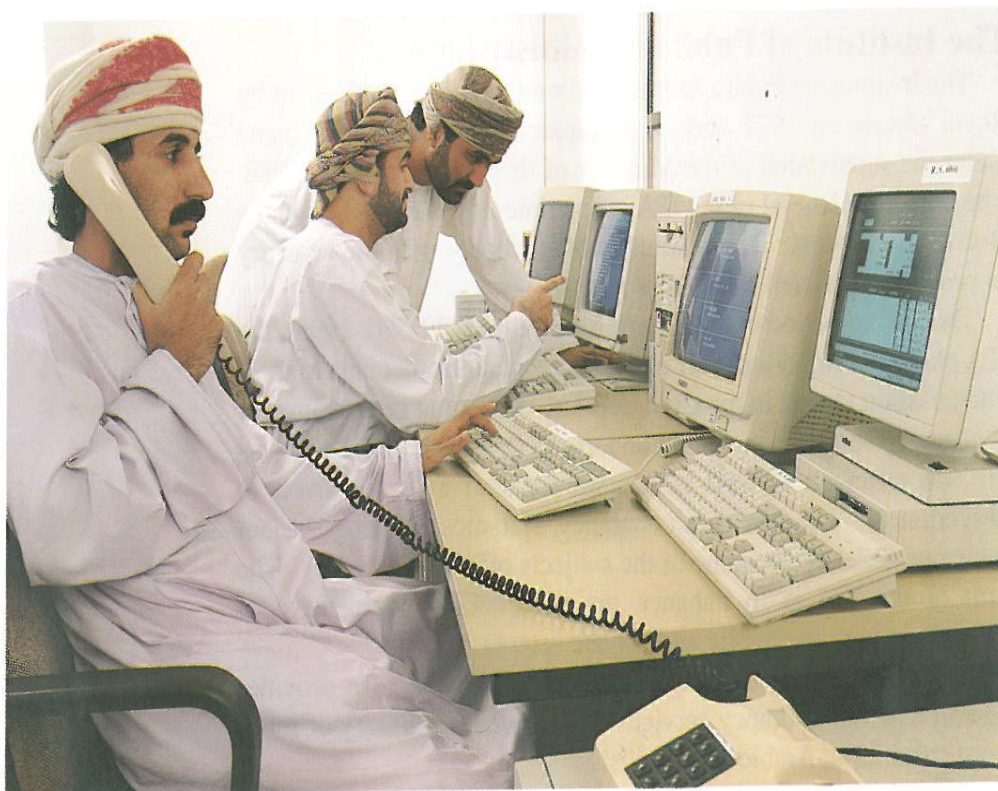
The target for Omanisation during the period of the Fourth Five Year Plan (1991-1995) was 72%, excluding the Ministries of Health and Education which employ more than three-quarters of the expatriates in the public sector. The sum of RO 10 million was allocated in the development budget for the Omanisation plan and a technical office was established in the Ministry to implement the plan with other Government departments. According to statistics released by the Ministry at the end of June last year the target has been exceeded and 85% of the personnel in the public sector are now Omani nationals. Even if the Ministries of Health and Education are included, it is still a major achievement over the past five years, bringing the figure down to 68%.

New Rules for Early Retirement

In January this year important new rules were announced for early retirement from the Civil Service. After a minimum of ten years of service and provided that the employee is not over 55, he or she may apply for early retirement with the consent of the department head concerned. The pension paid would be calculated on the final basic salary of the employee who would also receive end of service benefit equivalent to one month's basic salary for every year of service up to a maximum of 12 months' salary. Under the new rules a pensioner would not be allowed to join another Government organisation.

The rules also give the employer the right to request an employee to take early retirement. The aim of these new regulations is to

► ▲ Government employees on two of the many training courses supervised by the Ministry.



make the public sector more flexible in its employment policy. The Ministry has developed a new system of performance appraisal whereby employees are evaluated on their achievements and rewarded with promotion on their merits rather than on their seniority.

Salaries, benefits and allowances in the public sector are generally higher than in the private sector. While wishing to recruit the highest calibre of candidate for the Civil Service, the Government seeks to bridge the gap in salaries, benefits and allowances between the public and the private sectors and to encourage young Omanis to seek employment in both areas as rewarding career opportunities.

The Ministry has adopted a professional approach to career planning, job classification, salary and pension administration, training planning, management information systems and recruitment aptitude tests. At the same time much of the routine administration has been devolved to individual ministries in order to save time and effort and cut down on wasteful correspondence.

A new Ministry building was completed in mid-1995 and its offices were occupied in September of that year..

The Institute of Public Administration

The Institute of Public Administration (IPA) was established by Royal Decree in 1977 and is an autonomous body which came under the supervision of the Ministry of the Civil Service in 1988. The Director-General of the IPA is appointed by the Minister and a Board of Directors. The Institute works closely with the Ministry to produce a national training programme.

During the period of the Fourth Five-year Plan (1991-1995), the IPA played an important part in the successful efforts made to meet Omanisation targets in the Civil Service. A training programme for senior civil servants, including undersecretaries and director-generals was arranged as well as courses for staff at lower levels in Government. Courses in accountancy, statistics and English language proficiency are some of the subjects offered by the IPA. The aim of the IPA is to enhance the professional competence of Omanis in both the public and private sectors.

In addition to its training programmes, the IPA also provides research and consultancy services and maintains a library of reference material in Arabic and English.

VOCATIONAL TRAINING

The history of Vocational Training in the Sultanate of Oman during the twenty-five years since the accession of His Majesty Sultan Qaboos has been one of lively adaptation to changing circumstances and future requirements. The aim is always to increase national skills, so that Omanisation, which lies at the heart of manpower development, can be achieved.

Rapid growth in all sectors of the economy and a shortage of skilled Omani labour led to the importation of an expatriate workforce. The changes to the economic structure of the Sultanate put severe strain on the development of the country's education and training system. Increasingly it was the employers who set the market demand for technical knowledge and skills. On the other hand students and trainees were, and still are, a force that to some extent moves the system closer to their needs.

Supreme Committee for Vocational Training & Labour

Before 1990, the emphasis was more on training students for the jobs they wanted to perform. To balance supply and demand in the training field, a new strategy had to be implemented. This led to co-operation and joint decision-making between Government officials and employers. It was in 1990 that the Supreme Committee for Vocational Training & Labour was established with the task of setting policies that would ensure that human resource development matched the demands of the labour market. In 1995 it was decreed by His Majesty that the Supreme Committee would be chaired by the Minister of National Economy, with the Minister of Commerce & Industry as his deputy and the Minister of Higher Education, the Minister of State for Development Affairs, the Minister of the Civil Service, the Inspector-General of Police & Customs, the President of the Vocational Training Authority and the President of the Oman Chamber of Commerce & Industry as its members.

Vocational Training Authority

In 1991 the Vocational Training Authority was established by Royal Decree as a separate entity with the aim of managing and developing the systems for training and qualifying Omanis to meet



the country's requirements. The Authority is managed by the Vocational Training Council, which is chaired by the Minister of Civil Service and draws its members from the Ministry of Social Affairs & Labour, the Ministry of Finance, the Vocational Training Authority itself and the Oman Chamber of Commerce and Industry.

During the last five years, changes to the system of training and achievements of the Authority have been as follows. The old 3-year full-time course in the nine Vocational Institutes was completely phased out in June 1995.

Technical Colleges

Before 1991, there was only one Technical College in existence. The four Vocational Training Institutes in Nizwa, Salalah, Ibra and al-Musana'a were upgraded to Technical Colleges in September 1993. The total annual enrolment for the five colleges of post-secondary school entrants increased from 350 in 1992 to 1,500 in 1993. The number of places available since then has increased to 4,500. The first batch of 243 students graduated from the new colleges in 1995, bringing the total for the year from the five colleges to 487. Since 1984 when the first Technical College was established over 2,000 students have graduated.

◀ The Vocational Training Centre in Al Khuwair.

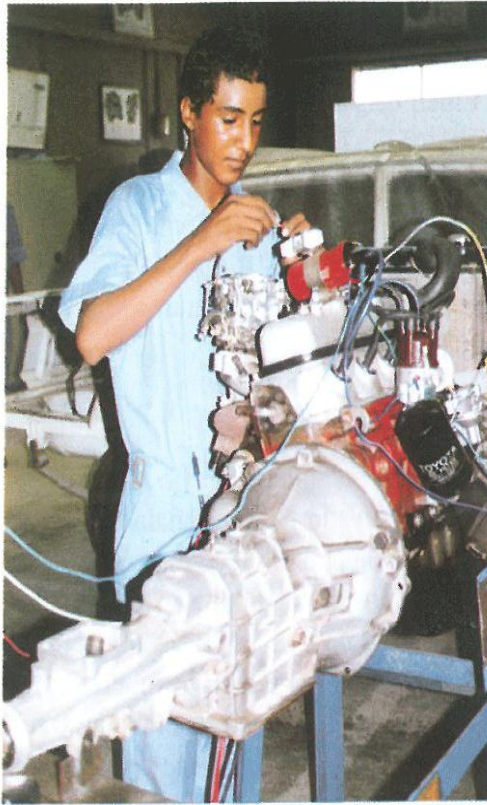
Vocational Training Centres

With effect from September 1994, the other four Vocational Training Institutes in Seeb, Sur, Ibri and Saham were converted to Vocational Training Centres. These Centres concentrate on short-term training courses, geared to the needs of the labour market and the development of a skilled and semi-skilled labour force. The first students were enrolled last year, but out of 3,200 applicants only 715 trainees were accepted. It is expected that the Vocational Training Centres will be able to turn out 1,500 trainees annually.

General National Vocational Qualifications (GNVQs)

Having made significant changes to the curriculum, level and duration of courses at both the colleges and the centres, the GNVQs were introduced to the Muscat Industrial Technical College last year and subsequently extended to the other new colleges in Nizwa, Salalah, Ibra and al-Musana'a.

◀ Students in a language laboratory.



On-the-Job Training

Private organisations and institutes are encouraged to give training to Omani nationals. Companies receive rebates on the training costs. Since 1991, when the scheme began more than 4,000 trainees have benefited. In 1992 the Authority issued a decision regulating private training institutes, of which there are over a hundred in operation at the present time. The involvement of the private sector in the training of their employees is recognised as a valuable way forward in the development of Oman's human resources.

◀ ▼ Vocational Training Centre students undergoing training.



OMAN IN BRIEF

Land Area:	309,500 square kilometres (82% - desert, 15% - mountains, 3% - coastal plains)
Population:	2,018,074 (1993 census) 1,483,226 Omanis (73.5%) 534,848 Expatriates
Density:	6.5 inhabitants per square km
Capital:	Muscat
Official Language:	Arabic (English widely used)
Literacy:	41% (1995)
Time:	4 hours ahead of GMT
Currency:	Rial Omani = US\$ 2.58 (RO 0.387 = US\$ 1)
Per Capita Income:	US\$ 6,442 (end 1995, based on population of 2,135,000)
Total GDP:	RO 5,288.2 million (end of 1995)
Climate:	Hot and humid in summer (June 31-45° Centigrade) Pleasantly cool in winter (January 20-25° Centigrade)
Measures:	Metric
Oil Production	880,000 barrels a day
Total Oil Exports	for 1995 = 261,326 million barrels
Oil Reserves	5.2 billion barrels

Natural Gas Reserves	27 TCF (trillion cubic feet)
Copper Reserves	11.71 million tonnes
Fisheries	4.77 million tonnes
Birth Rate Increase	3.5%
Life expectancy:	Men : 66 Years/Women: 70 years
Education:	circa 500,000 boys & girls aged 6-18 in school
National Day:	18th November
Official Holidays:	Dates vary according to lunar year. The new year 1417AH started on 19th May 1996. 28th July 1996 (Prophet's Birthday) 8th December 1996 (Isra & Miaraj) 10th Feb 1997 (Eid al-Fitr) 17th Apr 1997 (Eid al-Adha) 8th May 1997 (New Year 1418AH) (The above dates may vary slightly)
Official Hours:	Saturday - Wednesday 7.30 am - 2.30 pm (except in Ramadhan: 8.30 am - 1.30 pm)
Private Sector Hours:	Saturday - Thursday Vary but approximate 8.00 am - 1.00 pm 3.30 - 6.30 pm

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<i>Photocentre</i>	194B, 196
<i>Rosemary Hector</i>	31, 93, 167, 183B, 185B
<i>Royal Guard of Oman</i>	68
<i>Royal Oman Police</i>	70, 71, 73
<i>Sahwah School</i>	151T, 153
<i>Salim Al Hashly</i>	9, 10, 11, 15, 17, 18TB, 43TB, 64T, 66, 72, 162T, 163T, 179
<i>S.J. Prakash</i>	25, 108, 115
<i>Sultan Qaboos University</i>	155, 157TB, 158
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