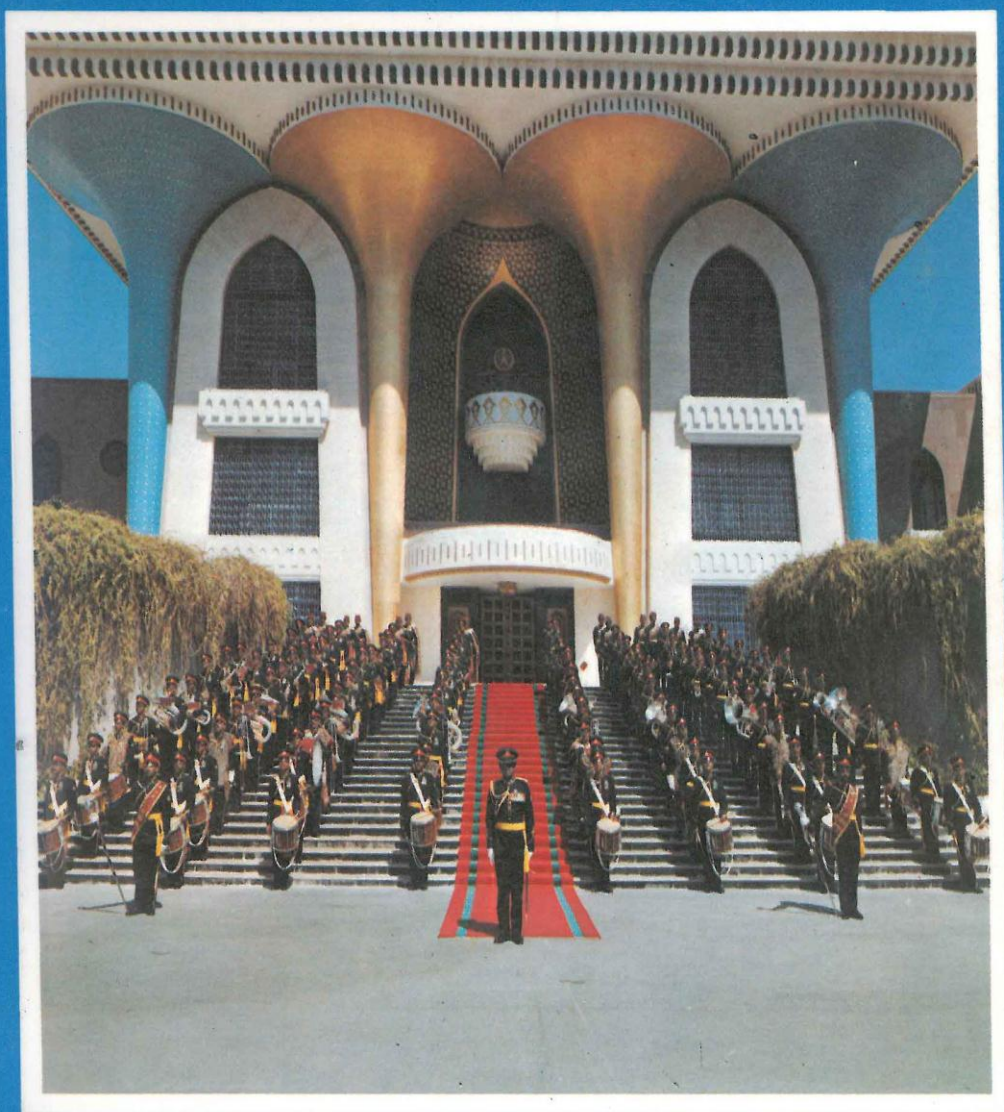
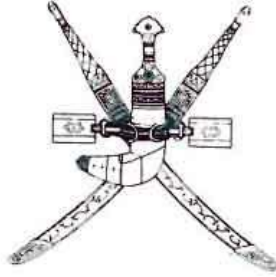


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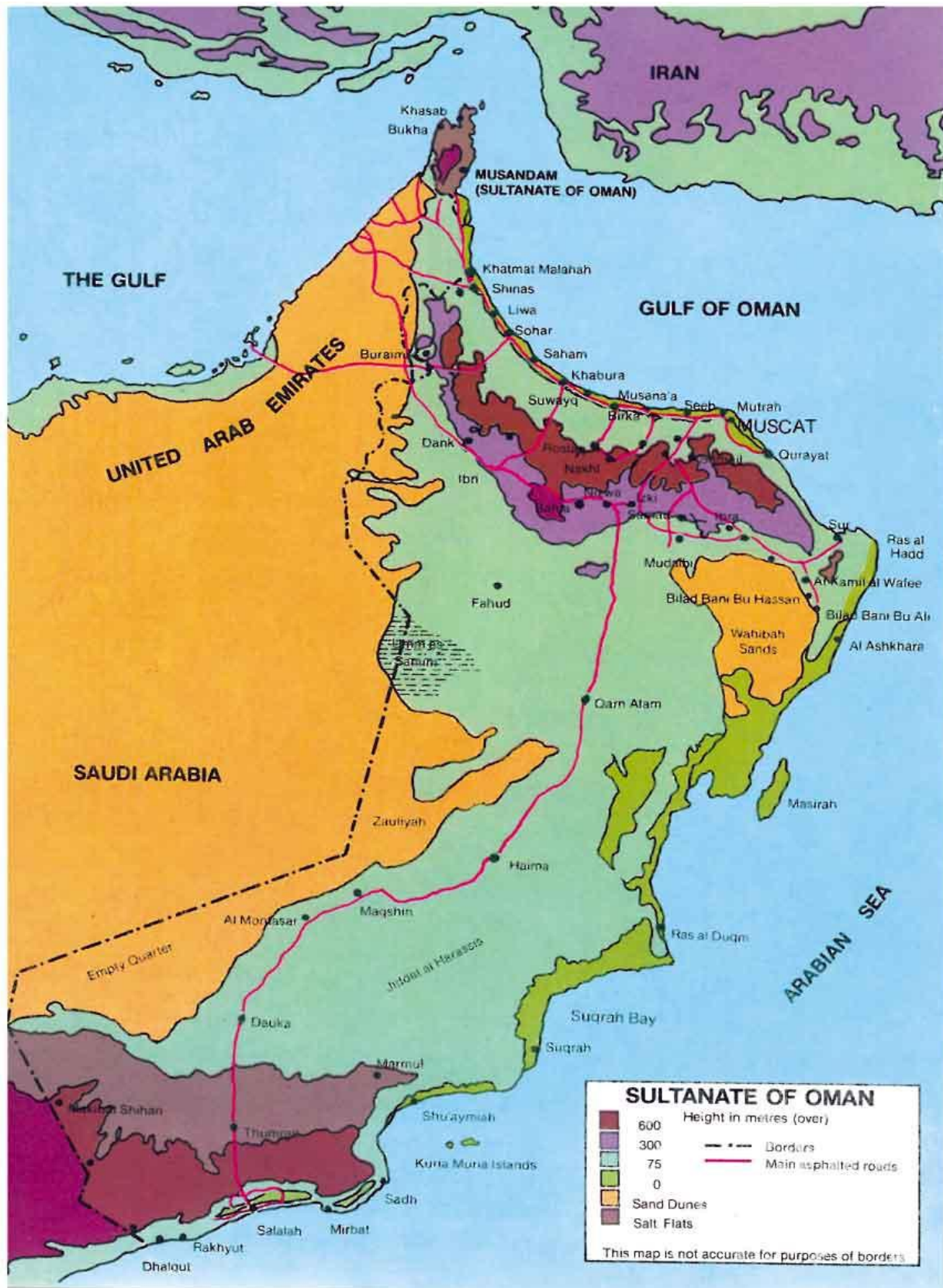
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CONTENTS

H.M. Sultan Qaboos Bin Said Al Said	5
History	12
Geography	16
Government	22
Foreign Affairs	27
Defence	34
Police	40
Economy	45
Commerce and Industry	50
Oil and Gas	55
Minerals	62
Agriculture	65
Fisheries	70
Water	73
Electricity	77
Social Affairs	79
Labour	84
Communications	87
Postal and Telecommunications Services	91
Education	96
Youth	102
Health	105
Housing	109
Musandam	113
Environment	117
National Heritage and Culture	121



His Majesty Sultan Qaboos bin Said al-Said (Photograph: Mohamed Mustafa)



HIS MAJESTY SULTAN QABOOS BIN SAID AL SAID

It is not possible for a first-time visitor to the Sultanate of Oman, arriving at Seeb International Airport in 1987, and driving into the Capital along 35 km of lighted dual-carriageway road, over fly-overs, past modern Ministry buildings, schools, hospitals and commercial establishments, to visualise that only 17 years ago none of this existed. Any Omani will tell him that all this transformation is due to the inspiration and guidance of His Majesty Sultan Qaboos bin Said.

His Majesty was born in Salalah in Dhofar, the Southern Province of Oman, on 18th November 1940. He is eighth in the direct line of the Al-Busaid Dynasty, which was founded in 1741 by Imam Ahmad bin Said, whose memory is still revered in Oman as a warrior and enlightened administrator who united the country after years of civil war. His Majesty's father, Sultan Said bin Taimur, died in 1972.

His Majesty spent his childhood and received the early part of his education in Salalah. At the age of 16 he was sent by his father to England where he attended a private educational establishment for two years before entering the Royal Military Academy, Sandhurst, as a cadet in 1960. His Majesty then served a tour of operational duty with a British infantry battalion and on the Staff in West Germany. Subsequently, he studied municipal government in England. Returning home on completion of a world tour, he spent the next six years in Salalah in accordance with his father's wishes. During those years his time was spent in studying Islam and the cultural and historical past of his country and people.

On the abdication of his father, Sultan Said bin Taimur, and his own accession in July 1970, His Majesty flew from Salalah to Muscat to be greeted by his people. Among his first acts were the abolition of anachronistic restrictions on the lives and activities of the people, but most importantly, he announced his intention of proceeding forthwith with the development of the country and to provide his people with the health care, education and other social development they so sorely needed. He also called upon them to play their part in the work that lay ahead and appealed to all Omanis abroad, wherever they might be, to return and do so. His words met with a spontaneous and

overwhelming response, and Omanis came flocking back from many parts of the world.

The task that faced His Majesty was formidable. Little had been achieved in the three years since the oil revenues had started coming in. There was a legacy of more than a century of stagnation, with its accompanying lack of development, illiteracy, high mortality rate and isolation. It is not too much to say that Oman, at this time, was one of the most backward countries in the Arab World. Added to this, there was a bitter local war in the south, where at the time of his accession the military situation was grave.

An administration was formed, including many who had returned from abroad regardless of where they had been or where they had been educated and trained. The only qualification demanded was their suitability for the post to which they were appointed. Promotion on merit is still the hallmark of His Majesty's policies.

His Majesty was, from the outset, faced with the dual problems of fighting and winning a war in the south and, at the same time, proceeding with the development of the country. The combination of the two was inevitably a heavy burden on the Sultanate's financial resources. During the next five years the Armed Forces were expanded, re-equipped with sophisticated weapons and trained in modern methods of warfare, while at the same time Omani servicemen were sent abroad to be trained as the future officer corps. The accession of His Majesty and the implementation of his policies removed the reasons which had originally activated the rebellion, but the problem was still one of external intervention, which had grown to considerable proportions in the years before 1970. However, the military situation prospered and, by the end of 1975, the war was over and peace restored. A major task of repair of war damage had to be urgently undertaken in Dhofar; development was accelerated in the region which had necessarily been considerably handicapped by military operations.

Meanwhile, His Majesty gave high priority to the expansion of the Sultanate's international relations, which had been almost non-existent before 1970. This has been successfully achieved and diplomatic relations have been established with many countries throughout the world, regardless of their political complexions. His Majesty's policy



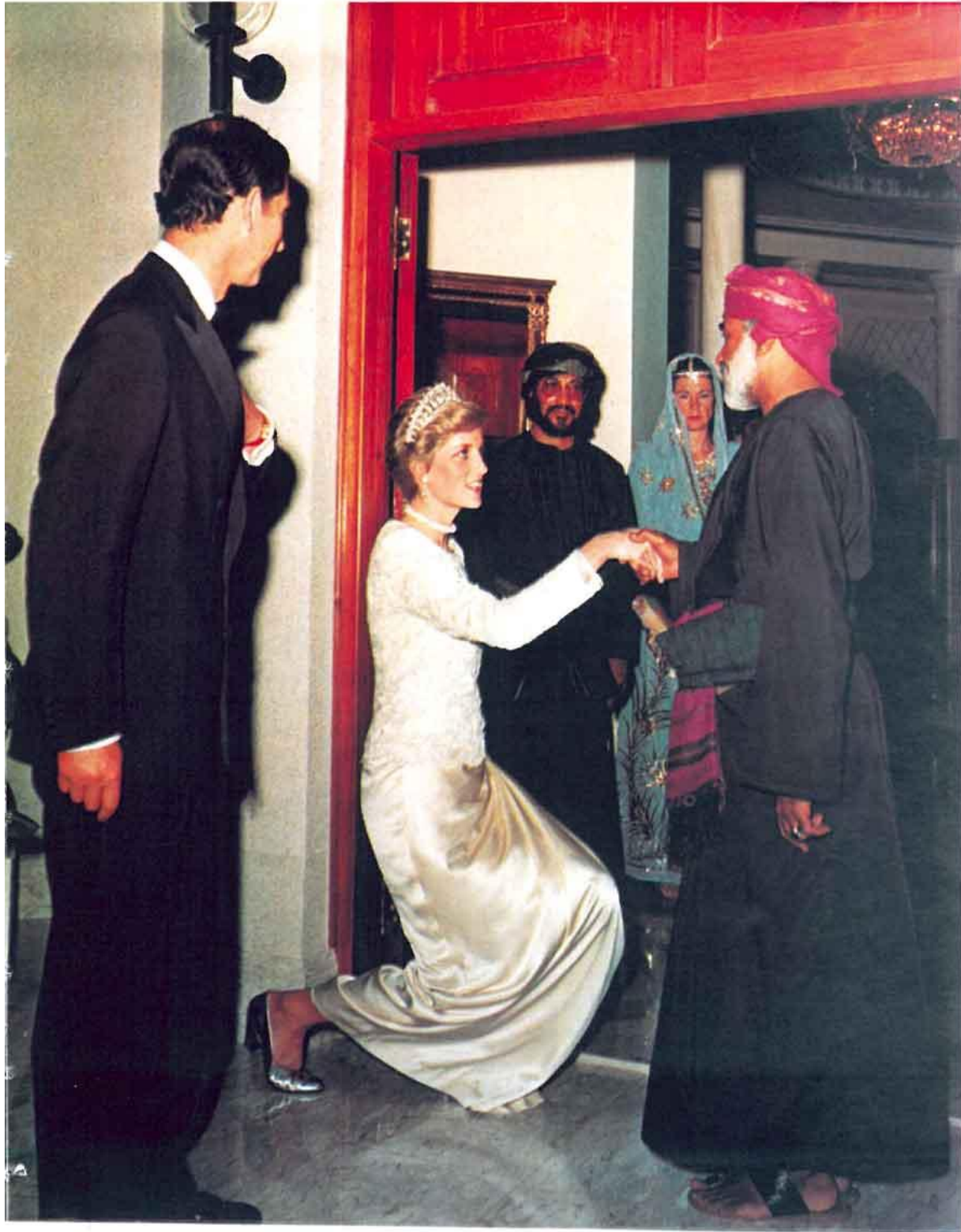
*His Majesty joins his people in prayers on the occasion of Eid Al Fitr
(Photograph: Mohamed Mustafa)*

being to extend the hand of friendship to all countries on the basis of non-interference in each other's internal affairs.

International contacts through the establishment of diplomatic relations and personal visits are seen by His Majesty to be of great importance in the quest for world peace and understanding between peoples. Relations have been established with both the non-communist and communist worlds; ambassadors were exchanged with the People's Republic of China some years ago, and most recently diplomatic relations have been established with the Soviet Union and the People's Democratic Republic of Yemen. His Majesty has paid State visits to brother countries of the G.C.C. and Egypt and Jordan; the United Kingdom and the United States.

His Majesty also pressed on with development planning. A list of priorities was carefully formulated; wasteful prestige projects were not considered. Advancement has been achieved through a series of Five Year Plans, of which the third is now in progress. The result of this has been that, by the time the oil price crisis struck early last year, the Sultanate's infrastructural programme was virtually complete.

His Majesty has carefully combined traditional Government with the inception of a modern state. The age-old system of Sultanic rule whereby individual Omanis had the right of access to the ruler — who was regarded as the father of his people — has been scrupulously preserved, alongside the evolvement of sophisticated government by a Cabinet of Ministers with their supporting staffs and responsibilities. Thus, His Majesty attaches great importance to personal contact with his people, and this he achieves in three principal ways: one is the State Consultative Council, which has a wide popular representation, now increased from 45 to 55 members, at the first meeting of which, in 1981, he said 'The Council shall also be a vital field for interaction and integration between the opinions of its members and full cooperation and integration between the Government and the citizens in carrying out the duties and obligations of the current stage of development'; secondly, His Majesty's annual tours of the Interior, when he is accompanied by many of his Ministers and meets individual Omanis face to face and listens to their suggestions and discusses their problems, is a valuable means of assessing their needs. On these occasions the appropriate Minister is called in and the matter is dealt with immediately. Also, every year on the National Anniversary on



*His Majesty welcomes the Prince and Princess of Wales on their visit to Oman
(Photograph: Mohamed Mustafa)*

18th November, His Majesty delivers a major address to the Nation when he reviews the achievements of the previous year and outlines future policies.

In his speech on National Day last year, His Majesty referred to the challenge posed by the crisis in the international oil market and its effects on the economies of oil-producing countries and the world in general. He emphasised once again the need for diversification of the economy by exploiting the country's other natural resources, particularly in the agricultural, fisheries and industrial sectors. He further stressed the need for self-reliance, and the ability to adapt to a changing world situation, and called upon the youth of Oman to play its part to the full in the service of their country.

During his extensive annual tour of the Interior in March this year, His Majesty made a number of pronouncements on future policy. He reassured his people that, in spite of the changed economic situation, national development would continue. In future it would be concentrated on the Wilayats (provinces) now that the Capital area and main towns had received adequate attention. He emphasised that there is work for everyone who wishes to work and urged employers to give employment to Omanis rather than expatriates; as soon as Omanis are trained in the various skills, foreigners are to be replaced. This will not only save valuable foreign currency but, more importantly, will provide opportunities for newly qualified young people.

His Majesty also announced that a National Fisheries Company was to be set up with Government participation, as the result of a comprehensive study of Oman's marine wealth which had just been completed, and also disclosed that a National Company for the Marketing of Meat and Animal Products is to be established on the same lines. This new company will start operations next year, and is to be a joint stock company, initially enjoying a Government subsidy. The establishment of four new industrial estates at Salalah, Sohar, Sur and Nizwa, was also announced. During his tour, His Majesty strongly criticised the prevalent dowry system, which he said was contrary to Oman's religion and values. It was foreign to Omani tradition and productive of financial problems for families. Women 'were not commodities to be bought and sold.'

In the Interior His Majesty opened the Sultan bin Saif Camp in the

Wilayat of Ibra, which will be the headquarters of the Sultan of Oman's Armoured Regiment. At the conclusion of his tour, he paid a visit to the Sayyala oilfields in the Bahja oil complex.

Among his other notable activities in recent months His Majesty has attended the large-scale joint exercises with British forces (Exercise Saif Sareea) which took place in the Sultanate; formally opened the impressive Sultan Qaboos University, and entertained a number of important visitors, including President Hosni Mubarak of Egypt, the Prince and Princess of Wales, and ministerial delegations from, among other countries, Jordan, Tunisia, the U.A.E., Britain, the United States, the Soviet Union, and Turkey.

HISTORY

With the revival of the spirit and life of the Sultanate came a great interest in the country's origins. Encouraged by His Majesty, scholars started to investigate the remote past of this historic land where man first appeared after the last Ice Age, about 12,000 B.C. Though very little is known about the pre-Islamic past, many fascinating discoveries have been made. Archaeological sites dating back to the third millennium B.C. are believed to be contemporary with the region's Barbar culture and the great river cultures of Mesopotamia and Mohenjodaro. Evidence has been found of trade between Sumer, a land which existed before Babylon, and Oman.

Copper mining and smelting by the year 2,000 B.C. had become a sizeable industry, as revealed by excavations at locations in the Sohar area. The largest of these so far identified is at Lasail where, incidentally, copper mining has recently been resumed. It seems certain that the legendary country of 'Magan', referred to in Sumerian tablets as a source of copper, was Oman.

Frankincense, the aromatic gum used in ancient Egyptian and European rites, and traditionally offered by the Queen of Sheba to Solomon, was produced in Dhofar, in southern Oman. One of the most precious of the ancient world's commodities, it is another Omani product that is now being exploited as an essential base ingredient in a highly fashionable scent.

Although trading, farming and fishing settlements existed in Oman as far back as the fourth millennium B.C., there is no evidence of any developed urban civilization during this early period. One of the reasons may be that there was no great river where a city society would normally be centred. Also, Oman's terrain divided the country into three very distinct sorts of culture.

Within the rock of Oman's abrupt mountain spine existed self-sufficient, fiercely independent farming and pastoral communities that were already flourishing when the first Arab peoples came to Oman from southern Arabia some 2,000 years ago. In the foothills to the west and in the great deserts beyond, nomadic people led their own, very distinct, life. Along the highly cultivated Batinah coast lived farmers, fishermen, merchants and sailors who were the people most exposed to



The Fort at Rostaq: a notable link with the Sultanate's past

the rest of the world by nature of their trades and geographical location. These ancient distinctions to some extent still exist, within the modern united Sultanate.

Cyrus the Great, founder of the Persian empire, dominated the area in the fourth century B.C. With the consequent introduction of the famous falaj system of underground irrigation, the prosperity of the Batinah greatly increased.

Still in pre-Islamic times, tribes from the Yemen — legend has it that they came from the region of the famous Marib dam — trickled into Oman. Later, the Azd tribal group, from which the present ruling family is descended, entered Oman. Then Oman was under the rule of the Persians, but the Azd were able to regain Oman from the Persian rule and they spread Arab influence to all parts of Oman. Islam came to Oman, and Abd and Jaifar, the sons of Julandi bin Al Mustakbar

embraced Islam. When the Persian ruler rejected their call to embrace Islam, Abd and Jaifar expelled Persian rule from Oman.

From the seventh to the fifteenth centuries Oman's maritime trade flourished. Omani ships regularly called at ports in Persia, India, and Southeast Asia. As early as the eighth century, the fame of the great Omani seaman Abu Ubaida bin Abdulla bin al Qassim, who laid the foundations for scientific maritime navigation and made a 7,000-kilometre voyage from Oman to Canton (Guangzhou) in China, was widely known. As they travelled and traded, the Omanis spread the message of Islam as well as the Arabic language and culture.

In 1507, nine years after Vasco da Gama rounded the Cape of Good Hope, finding a sea route to India — ironically being guided by the famous Omani navigator Ahmad bin Majid — a Portuguese fleet brutally sacked Muscat and within a year the Portuguese flag flew all along the coast.

Nearly a century and a half later, in 1650, Sultan bin Saif Al Yarubi reconquered Muscat. Then, having built up a powerful fleet for the war of liberation, he carried the war into the Indian Ocean, establishing a wealthy state with colonial possessions in East Africa.

Sayyid Said bin Sultan is an historically prominent Omani ruler who exercised power during the period 1807-1856. During this time Oman's influence reached Zanzibar and other parts of East Africa in addition to provinces in Persia and Baluchistan. Muscat became an important commercial centre and meeting point for the entire Gulf area. Sayyid Said concentrated his efforts on developing and improving his country's commerce and economy. It was Sayyid Said, incidentally, who introduced the carnation to Zanzibar which he brought originally from Indonesia. These plantations provided a third of the Sultanate's budget. During his reign, Oman developed her relations with many parts of the world; a special envoy was sent to the United States in 1840 — the first Arab emissary to that country. Oman was thus the first Arab country to establish diplomatic relations with the United States. It had already concluded agreements and conventions with Great Britain, France, Holland and other countries.

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



Omani dates, which are among the finest in the world, have been a staple product since time immemorial: here a plantation surrounds an ancient building (Photograph: PDO)

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 historical glories and opened a new chapter of development, prosperity, and social and economic progress.

GEOGRAPHY

A map of the Arabian Peninsula rather resembles a boot with the toe pointing in a north-easterly direction. Oman, the second largest country of the Peninsula, with 300,000 square kilometres of very varied, striking terrain, occupies the very south-eastern part of the Peninsula, with a coastline which extends for 1,700 kilometres.

Dominated by an interior of jagged mountains simply called al-Hajr, 'the Rock', the country is a magic tapestry of different terrains. The mountains, whose king at a soaring 3,075 metres is the terraced Jabal al-Akhdar ('The Green Mountain'), rise straight out of the coastal plains or the sea, or soar out of the gravel plateaus and shifting dunes in the interior.

The country ranges from the fjord-like barren majesty of the Musandam Peninsula that plunges into the Strait of Hormuz in the north, to the fertile Batinah plain that inclines south-east towards Muscat, from the vast, sandy edge of the Rub' al-Khali (The Empty Quarter) through the mountains to the lush, monsoon-based near-tropical Salalah plain in the south.

To the west Oman borders on Saudi Arabia and the United Arab Emirates; to the south, the People's Democratic Republic of Yemen; to the north the Strait of Hormuz; and to the east the Arabian Sea.

The Regions

Geographically, Oman falls into a number of distinct areas.

Capital Area

The most important of this densely populated area are the lovely old capital of Muscat sheltered in its picturesque bay; the larger, modern port of Muttrah which is surrounded by the old residential and trading town; and modern, busy Ruwi which is both a commercial centre and residential extension of the capital. Beyond this again, residential satellite townships and industrial estates have been spreading at a fast pace, changing the area beyond recognition for someone who has not visited Oman for a few years.

Batinah Plain

The Batinah runs from the frontier with the UAE for a distance of some 270 kilometres south-east almost to Muscat. It is situated between the coast and the Western Hajar, varying from 10 to 30 kilometres in width. Cultivation is limited to a narrow coastal strip, seldom wider than three kilometres. The Batinah is one of the most populous areas of Oman; the main towns are: Barka, Masana'a, Suwaiq, Khabura, Saham, Sohar, Liwa and Shinas.

Western Hajar ('Rock') Mountains

Like the Batinah Plain, this mountain range runs parallel to the coast from the United Arab Emirates in the north to Wadi Maawel in the south. The highest peaks, up to 3,075 metres, lie to the south-east at Jabal al-Akhdar. There are many settlements on the Western Hajar, the most important being Rustaq, Awabi and Nakhl.

The Interior (Al Joof)

This is the central plateau that slopes from the northern base of Jabal al-Akhdar southwards to the desert. It is bounded on the west by Dhahira and on the east by Sharqiya. The area has four main valleys: Batha', Halfein, Bahla and Samail. The Halfein and Samail valleys together form a natural break in the Western Hajar mountain range providing the traditional route between Muscat and the Interior. It is also one of the most populous areas of Oman, its main towns being: Nizwa, Bahla, Samail, Izki, Manah, Bidbid and Adam.

Dhahira Area

This is a semi-desert plain, sloping from the southern flanks of the Western Hajar into the Rub' al-Khali (Empty Quarter). It is bordered to the north by Yanqul, Jau and Buraimi and to the south it is divided from Oman proper by Jabal al Koor (Deyar al Durooa') and from the east by Deyar Bani Hinah. The major settlements are on two principal wadis, Wadi Dank and Wadi al-Ain, the towns being Dank, Ibri and Yanqal. The northern extension of the plain of Dhahira is known as Jau. In this small area between the border of the United Arab Emirates and the Western Hajar, the population is concentrated around the irrigated date cultivation of the Buraimi oasis.



The famed Wahiba Sands in Eastern Oman (Photograph: Michael Neff)

Sharqiyah Area

The Sharqiyah is an area of sandy plains and valleys lying on the inland side of the Eastern Hajar. It is bordered to the south-east by the district of Jaalan and to the south by the Wahiba Sands. The Jaalan is a sandy plain forming the southern extension of the Sharqiyah and extending to the Arabian Sea. It is bordered on the northern side by the Eastern Hajar and in the south by the Wahiba Sands. The main towns are Sur, Al Qabil, Ibra, Mudairib, Samad, Mudaibi, Sinaw, Wadi Beni Khalid, Al Kamil, Al Wafi, Bilad Bani bu Hassan, Bilad Bani bu Ali, Al Ashkara and Ras Al Hadd.

Barr-al-Hekman

This is an area of approximately 650 square kilometres. Masirah Island is situated to the east, separated by a channel of 14 kilometres. The area of the Barr consists of salt flats and, on occasion, the sea covers as much as five kilometres of the land area. Most of the population live on the island of Mahawt and are fishermen.



The Wadi Adai in the Capital area in flood following seasonal rains



Green Oman: one of the many intensively developed agricultural projects

Southern Region (Dhofar)

The Southern Region of Oman accounts for a third of the country's total area. The coastal plain, extending from Raysut in the west past Salalah, is nowhere wider than about eight kilometres, but the fertile alluvial soil is well watered between June and September by the monsoon. The rains also irrigate the tree-dotted hills that rise 1,500 metres above the coastal plain. To the north-west, the region's border with the Kingdom of Saudi Arabia runs through the Empty Quarter. The main towns and villages here are: Salalah, Taqa, Mirbat, Sudh, Thumrait, Rakhyout, Dalqut, Shaleem and Maqshin. .

The Musandam

Separated from the rest of Oman by part of the United Arab Emirates, this is the northernmost part of the Sultanate. Its rugged mountains rise up to 1,800 metres above sea level and the coast which juts into the

Straight of Hormuz, has a spectacular, fjord-like look. The main towns are: Khasab, Bayah, Mudha, Bukha, Kumzar and Lima.

Provinces

The Sultanate is divided into 41 wilaya (regions), in each of which the government is represented by a wali (governor). Muscat has its own governor with assistants in Mutrah, Seeb and Baushar, as does the Musandam with assistants in Khasab, Bayah and Bukha. Dhofar also has its own governor with assistants.

Climate

The climate varies from region to region. In the coastal areas it is hot and humid in summer. In the interior it is hot and dry with the exception of some higher locations where it is temperate all year round. In the southern region, the climate is more benign. The country's rainfall is generally low and irregular, although heavy local rains are sometimes experienced, with the exception of the southern region where heavy monsoon rains regularly occur between June and September.

Population

The crosscurrents of history with its migrations and invasions have swept Oman since time immemorial, but its people have remained of basically Arab origin.

Omani society consists of four basic categories: the people of the sea who live by fishing, seafaring and trading; the agriculturists of the Batinah coast and the South, and those of the Interior who employ the aflaj system of irrigation; the mountain people of Dhofar and the Musandam; and the Bedouin of the desert areas. The population is estimated at 1,500,000.

GOVERNMENT

The administrative system of the State under His Majesty Sultan Qaboos bin Said consists of The Cabinet of Ministers and Secretariat to the Cabinet, the Specialised Councils, Governorate of the Capital and the State Consultative Council.

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 Council of Ministers consists of:

His Highness Sayyid Thuwaini bin Shihab al-Said,
Personal Representative of His Majesty the Sultan.

His Highness Sayyid Fahr bin Taimour al-Said,
Deputy Prime Minister for Security and Defence.

His Highness Sayyid Fahd bin Mahmoud al-Said,
Deputy Prime Minister for Legal Affairs.

His Excellency Qais bin Abdul Munim al-Zawawi,
Deputy Prime Minister for Financial and Economic Affairs.

His Highness Sayyid Faisal bin Ali al-Said,
Minister of National Heritage and Culture.

His Excellency Khalfan bin Nasser al-Wahaibi,
Minister of Electricity and Water.

His Excellency Sayyid Hilal bin Hamad al-Busaidi,
Minister of Justice, Awqaf and Islamic Affairs.

His Excellency Dr Mubarak bin Saleh al-Khadouri,
Minister of Health.

His Excellency Said bin Ahmed al-Shanfari,
Minister of Petroleum and Minerals.

His Excellency Hamoud bin Abdullah al-Harthi,
Minister of Communications.

His Excellency Yahya bin Mahfudh al-Mantheri,
Minister of Education and Youth.

His Excellency Sayyid Badr bin Sa'oud bin Hareb,
Minister of Interior.

His Excellency Abdul Aziz bin Mohamed al-Rowas,
Minister of Information.

His Excellency Sayyid Hilal bin Sa'oud bin Hareb,
Minister of State and Wali of Dhofar.

His Highness Sayyid Shabil bin Taimour al-Said,
Minister of Environment and Water Resources.

His Excellency Al Mutasim bin Hamoud al Busaidi
Minister of State for Defence

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

His Excellency Salim bin Abdullah al-Ghazali,
Minister of Commerce and Industry.

His Excellency Sheikh Mustahail bin Ahmed al-Mashini,
Minister of Social Affairs and Labour.

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

His Excellency Mohammed bin Ali al-Qatabi,
Minister of Regional Municipalities Affairs.

His Excellency Mohammed bin Abdullah bin Zaher al-Hinai,
Minister of Agriculture and Fisheries.

His Excellency Abdullah bin Hamed bin Saif al-Busaidi,
Minister of Housing.

Supervision of Cabinet Secretariat:

His Highness Sayyid Fahd bin Mahmoud al-Said.

Secretary to the Cabinet:

His Excellency Sayyid Hamoud bin Faisal bin Said.

The Secretariat to the Cabinet of Ministers is responsible for the smooth functioning of the government machinery. One of its functions is to



The State Consultative Council offices at Seeb (Photograph: Mohammed Al Wadhahy)

ensure that Cabinet decisions are implemented within the given time-frame and budget.

The Governorate of the Capital is responsible for the administration of the Capital.

For easier administration of Oman's large land area and scattered population centres, the country has been divided into 41 wilaya (regions) under the jurisdiction of the Ministry of the Interior. At the head of each wilayat is a wali (governor).

The Office of the Deputy Prime Minister for Legal Affairs is responsible for:

- (a) Streamlining procedures and systems for legislation, futwa (religious interpretation of the law) and contracts.
- (b) Preparing and publishing volumes of laws, issued annually.
- (c) Preparing and publishing the official Gazette.
- (d) Advising ministries on legal matters and drafting new legislation.

State Consultative Council

The State Consultative Council was formed in 1981 to give the Omani people greater participation in the planning and development of the country's economic and social affairs.

The Council is headed by a President (currently H.E. Sayyid Salim bin Nasser al Busaidi). Of the other 54 members, 18 represent the government sector of whom seven serve in their personal capacity. The remaining 36 represent what is termed as the national sector. Of these, 11 represent the private sector and 25 the various wilaya.

Based in Muscat, the Council is independent both administratively and financially.

Council members must be Omani nationals and at least 30 years of age at the time of appointment. Members represent all the people of the Sultanate and not only the sector from which they were selected. They are appointed for a two-year term which, however, can be extended for one or more terms.

Among the Council's functions are:

- (a) To recommend amendments to existing economic and social laws;
- (b) To recommend measures to complete development plans and raise the efficiency and capacity of national production;
- (c) To recommend solutions to "bottlenecks" facing private enterprise;
- (d) To give an opinion on any other subject which may be referred to the Council by His Majesty the Sultan.

Specialised Councils

The Specialised Councils were set up by Royal Decree. They are under the chairmanship of His Majesty the Sultan and comprise some members of the Cabinet of Ministers and other officials. In addition, some of the Councils include prominent members of the community.

Some of these Councils are:

The Development Council which plans objectives and general policies for economic development, supervises projects and procedures which

fall within the overall State Plan, and coordinates the activities of the different ministries and government departments in the execution of the current development plan.

The Financial Affairs Council which applies the financial policy of the State and draws up the national budget. Among other matters it studies the financial allocations for economic development projects.

The Education and Vocational Training Council, which apart from being concerned with the Sultanate's education policy, ensures that the output of trained Omani manpower is geared to the country's requirements.

The Supreme Youth Council which promotes the healthy development of Omani youth through cultural, social and sporting activities.

The Council for the Conservation of the Environment and Water Resources which is responsible for conserving the environment and combating pollution. One of its other functions is to coordinate exploration of water resources so as to ensure that a balance is maintained between availability and requirements.

Other Councils are:

The Higher Committee for Conferences which studies subjects put forward for discussion at summit conferences and meetings of the Ministerial Council and Ministerial committees. It formulates the positions to be taken by the Sultanate in the political, economic, security and other fields and submits them to His Majesty the Sultan for approval. The Higher Committee also notifies Ministries of the official stand they should adopt at GCC conferences and committee meetings.

The Sultan Qaboos University Council which is responsible for maintaining the standard of the University, and the establishment of new colleges, sections or centres.

The Civil Service Council which draws up general policies relating to the Civil Service. Among its other responsibilities is the examination of Civil Service problems and finding solutions to them, taking into consideration public interests.

FOREIGN AFFAIRS

Oman emerged from isolation in 1970 to face a world of ever-increasing complexity. It was therefore a formidable task to make Oman's presence known and felt in international circles. At the start, His Majesty the Sultan defined certain principles which have been consistently followed during the past seventeen years. These principles included: Good neighbourliness and non-intervention in others' internal affairs, respect for international laws and tradition, strengthening cooperation among the States of the Arabian Gulf, strengthening relations with the Arab countries as well as supporting issues of interest to the Arab World, enhancing Islamic cooperation, supporting just African causes, following a policy of non-alignment and establishing cordial relations with all friendly countries.

Since the setting up of a ministry for foreign affairs, energetic efforts have been made to secure Oman's proper place among the nations of the world, as directed by His Majesty Sultan Qaboos. Thus, the Sultanate has made effective contributions towards world issues, helping to solve international problems and working for world peace and security.

In accordance with His Majesty's directives, which are founded upon the peoples' will and the supreme interests of the country, Oman joined the Arab League on 29th September 1971 and the United Nations on 17th October the same year. On 29th February the Sultanate joined the Islamic Conference Organisation and, in September 1973, Oman became a member of the Non-aligned Group. The Sultanate has also joined many specialised international organisations.

Oman has also established diplomatic relations with many brotherly and friendly countries. In accordance with the principle of non-alignment, these have been exchanged with both the two superpowers: the United States and the Soviet Union. The Sultanate has consistently worked to enhance cooperation among the States of the Arabian Gulf and for Arab unity. It also played a leading role in the foundation of the Gulf Cooperation (GCC) which was established on 25th May 1981; and in November 1985 hosted the GCC's Sixth Summit that endorsed the following six strategies: security, defence, agricultural policies, a unified strategy for industrial development, a unified policy for the



The Ministry of Foreign Affairs

conservation of the environment, and mutual aims and methods for the spread of education.

In view of these major achievements, the Muscat Summit has become known as the "take off" summit. Further progress was accomplished by the Seventh Summit held in Abu Dhabi last year.

Consistent with the Sultanate's role in fostering Arab solidarity and supporting just Arab causes, full support has been given to all international efforts exerted to solve the Arab-Israeli conflict through peaceful means, including the proposed international peace conference which is regarded by the Sultanate as the best forum to handle the issue, in order to end the conflict and secure a just solution that guarantees the legitimate rights of all the parties concerned. In its belief that the Palestinian issue is still the core of the Middle East problem, Oman has fully supported the Palestinian peoples' right to self-determination on their own land.

The Sultanate has consistently backed legitimacy in Lebanon and expressed the hope that the political crisis there can be ended in order to restore stability and security to all parts of that country.

His Majesty Sultan Qaboos has voiced his regret over the continued exhaustion of human and material resources on both sides in the Iraq-Iran War and called for peaceful negotiations as the only reasonable way to end the conflict between the two Muslim neighbours. Oman stands ready to play a constructive role in any mediation attempt aimed at ending the war, if asked to do so and if convinced that such mediatory role would help to that end. In an address to the UN General Assembly in September last year the Minister of State for Foreign Affairs, Yousef bin Alawi bin Abdullah, stated that the Sultanate's view was that the United Nations is the appropriate forum through which a solution can be reached.

Oman has historic relations with Africa, particularly the eastern part of the continent. In order to strengthen these centuries-old relations, several African leaders have paid official visits to the Sultanate, and diplomatic relations have been established with many African countries. The Sultanate supports the just causes of the African peoples, notably the independence of Namibia and condemns the racial policies practised by the South African government.

The Sultanate's contacts with Asian countries have also been steadily developing, and diplomatic relations have been established with many of these States. Oman has expressed its concern at the occupation of Kampuchea by foreign forces, and called for their withdrawal in order to enable the Kampuchean people to exercise their right to self-determination. In this connection, the Sultanate also supports the efforts being made by ASEAN to achieve a just solution to the Kampuchean problem.

The Sultanate gives its full support to the UN Secretary-General in his efforts to achieve a peaceful solution in Afghanistan, and to ensure the withdrawal of foreign troops in order to allow the Afghan people to decide their own future.

Oman's relations with Western and Eastern European countries have been steadily growing in all fields, with emphasis on the economic sphere. Diplomatic relations with a large number of Western and Eastern European countries have been established through resident

and non-resident diplomatic representatives. Good relations are also maintained with many countries in North and South America. The Sultanate supports efforts being made by the Contadora group to achieve a satisfactory solution to the existing problems in Central America. A major successful step, reflecting the Sultanate's desire to broaden its circle of friends has been the establishment of diplomatic relations with the Soviet Union, and the development of relations with the People's Democratic Republic of Yemen.

RESIDENT DIPLOMATIC REPRESENTATION IN THE SULTANATE:

★ denotes representation by Charge d'Affaires

Embassies:

Algeria, Democratic and Popular Republic of	Netherlands, Kingdom of the
Bangladesh★, People's Republic of	Pakistan, Islamic Republic of
China, People's Republic of	Qatar, State of
Egypt, Arab Republic of	Saudi Arabia, Kingdom of
France, Republic of	Somalia, Democratic Republic of
Germany, Federal Republic of	Sri Lanka, Democratic Socialist Republic of
India, Republic of	Sudan, Republic of
Iran★, Islamic Republic of	Sweden★, Kingdom of
Iraq, Republic of	Thailand★, Kingdom of
Italy, Republic of	Tunisia, Republic of
Japan	Turkey, Republic of
Jordan, Hashemite Kingdom of	United Arab Emirates★
Korea, Republic of	United Kingdom of Great Britain
Kuwait, State of	and Northern Ireland
Malaysia★	United States of America
Morocco, Kingdom of	Yemen Arab Republic

Honorary Consulates

Austria, Republic of	Greece, Hellenic Republic of
Belgium, Kingdom of	Lebanon, Republic of
Canada	Mexico (United Mexican States)
Colombia, Republic of	Norway, Kingdom of
Cyprus, Republic of	Portugal, Republic of
Denmark, Kingdom of	Spain
Finland, Republic of	Switzerland

COUNTRIES WITH NON-RESIDENT AMBASSADORS TO OMAN:

*** represented in Oman by resident Charge d'Affaires,**

Argentina, Republic of	Mexico (United Mexican States)
Australia, Commonwealth of	Nepal, Kingdom of
Austria, Republic of	New Zealand
Bangladesh*, People's Republic of	Norway, Kingdom of
Belgium, Kingdom of	Philippines, Republic of the
Burkina Faso	Portugal, Republic of
Brazil, Federative Republic of	Romania, Socialist Republic of
Burundi, Republic of	Ruwanda, Republic of
Canada	Senegal, Republic of
Chile, Republic of	Sierra Leone, Republic of
Colombia, Republic of	Spain
Denmark, Kingdom of	Sri Lanka, Democratic Socialist Republic of
Djibouti, Republic of	Sweden*, Kingdom of
Finland, Republic of	Switzerland
Gambia, Republic of The	Tanzania, United Republic of
Greece, Hellenic Republic of	Uganda, Republic of
Guinea, Republic of	Union of Soviet Socialist Republics
Indonesia, Republic of	Yemen, People's Democratic Republic of
Mali, Republic of	Yugoslavia, Socialist Federal Republic of
Malta, Republic of	Zaire, Republic of
Mauritania, Islamic Republic of	Zambia, Republic of

OMAN EMBASSIES ABROAD:

*** represented by Charge d'Affaires**

Algeria, Democratic and Popular Republic of	Kuwait, State of
Bahrain, State of	Malaysia*
Brunei*, Sultanate of	Morocco, Kingdom of
China, People's Republic of	Pakistan, Islamic Republic of
Djibouti, Republic of	Qatar, State of
Egypt, Arab Republic of	Saudi Arabia, Kingdom of
France, Republic of	Somalia, Democratic Republic of
Germany, Federal Republic of	Sudan, Republic of
India, Republic of	Tunisia, Republic of
Iran*, Islamic Republic of	Turkey, Republic of
Iraq, Republic of	United Arab Emirates
Italy, Republic of	United Kingdom of Great Britain and
Japan	Northern Ireland
Jordan, Hashemite Kingdom of	United States of America
Korea, Republic of	Yemen Arab Republic

Permanent Missions to the United Nations:

Geneva (Switzerland)
New York (United States of America)

Honorary Consulates Abroad:

Cyprus (Nicosia), Republic of	Philippines (Manila), Republic of the
Hong Kong	Thailand (Bangkok), Kingdom of
India (Bombay), Republic of	United States of America (Los Angeles)
Pakistan (Karachi), Islamic Republic of	

REPRESENTATION BY OMANI**NON-RESIDENT AMBASSADORS ABROAD:**

* denotes representative to the Arab League

Argentina, Republic of	Mexico (United Mexican States)
Australia, Commonwealth of	Nepal, Kingdom of
Bangladesh, People's Republic of	Netherlands, Kingdom of
Belgium, Kingdom of	New Zealand
Burkina Faso	Niger, Republic of
Brazil, Federative Republic of	Nigeria, Federal Republic of
Burundi, Republic of	Norway, Kingdom of
Canada	Philippines, Republic of the
Chile, Republic of	Portugal, Republic of
Colombia, Republic of	Romania, Socialist Republic of
Comoros, Federal Islamic Republic of the	Ruwanda, Republic of
Cyprus, Republic of	Senegal, Republic of
Denmark, Kingdom of	Seychelles, Republic of
European Economic Community	Sierra Leone, Republic of
Finland, Republic of	Singapore, Republic of
Gabonese Republic	Spain
Gambia, Republic of The	Sri Lanka, Democratic Socialist Republic of
Greece, Hellenic Republic of	Sweden, Kingdom of
Guinea, Republic of	Switzerland
Guinea-Bissau, Republic of	Tanzania, United Republic of
Indonesia, Republic of	Thailand, Kingdom of
Ireland	Tunisia*, Republic of
Kenya, Republic of	Uganda
Luxembourg, Grand Duchy of	Union of the Soviet Socialist Republics
Malaysia	Yemen People's Democratic Republic of
Maldives, Republic of	Yugoslavia, Socialist Federal Republic of
Mali, Republic of	Zaire, Republic of
Malta, Republic of	Zambia, Republic of
Mauritius	

International organisations and specialised agencies which the Sultanate has joined:

Arab League
United Nations
Islamic Conference Organisation
Non-aligned Movement
World Health Organisation
Food and Agriculture Organisation
Universal Postal Union
International Monetary Fund
World Bank
United Nations Educational Scientific and Cultural Organisation
International Telecommunications Union
International Civil Aviation Organisation
International Maritime Organisation
World Meteorological Organisation
International Fund for Agricultural Development
U.N. Organisation for Industrial Development
Interpol
International Union for Conservation of the Environment
Afro-Asian Organisation for Legal Consultations
International Telecommunications Satellite Consortium
International Maritime Satellite Organisation
United Nations Children's Fund
Afro-Asian Organisation for Rural Development

DEFENCE

Military analysts have expressed the opinion that the Sultanate of Oman has the best trained and best equipped Defence Forces for their size in the Arabian Peninsula. The Land and Air Forces, particularly, also have the additional advantage of comparatively recent battle experience.

The present instability in the region demands that the Sultanate maintains a prudently high level of defence capability. Military exercises involving all three Services are held each year, and close liaison is maintained in the Defence field with the other GCC States. Last November and December a largescale exercise (Saif Sareea) took place with British forces under Omani direction, and another exercise (Peninsula Shield), with GCC Forces, was held in March this year.

As a trained Staff Officer with practical military experience, His Majesty takes a keen professional interest in the efficiency of his Armed Forces and their general well-being. He regularly attends their military manoeuvres both on land and sea, as well as those conducted with the Armed Forces of GCC and other friendly States.

Sultan of Oman's Land Forces (SOLF)

The SOLF as they were in 1970 bore little resemblance to the greatly expanded, well-trained, well-equipped and well-balanced highly mobile Army which is now responsible for the defence of the Sultanate as well as being a major factor in the defence capability of the Arabian Peninsula.

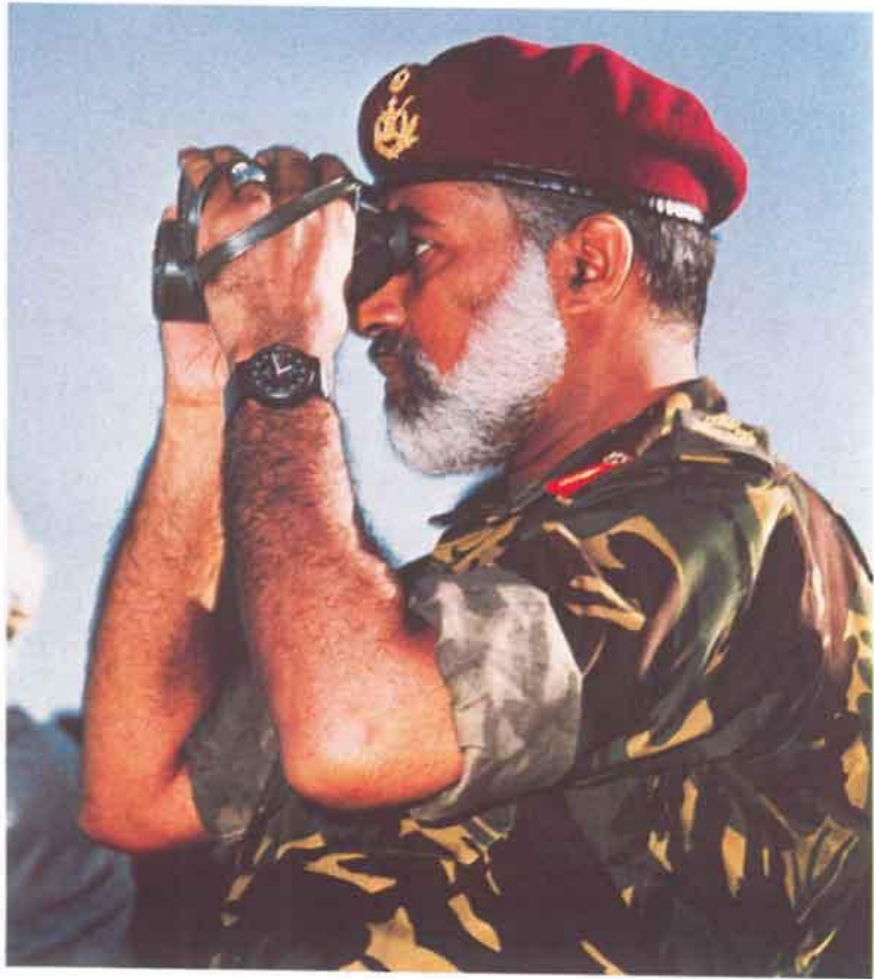
During the four year period 1981-85 SOLF expanded dramatically and many new and sophisticated weapons were introduced. Since then the size and shape of the Army has stabilised, and it has been able to consolidate by concentrating on training to master the techniques and tactics that go with its new weapons systems. The success of this policy was borne out during the joint Oman-UK exercise held at the end of last year, and evidence of this high standard of professionalism was displayed again when Oman hosted the third of the GCC joint military exercises this year.



Lt. Gen. Hamid Said Al Aufer, Chief of Staff, briefs his officers on an Exercise

The Infantry are supported by armoured, artillery, engineer and signals units, soundly based logistically with well-stocked depots and a flexible and efficient supply system, workshops and medical facilities. The new Armoured Regiment camp, complete with workshops in the Wilayat of Ibra was officially opened by His Majesty during his annual tour of the Interior this March.

As well as its responsibility for the defence of the Sultanate SOLF plays an important role in development work and civil assistance in the country. The Engineer Corps has performed valuable work in the construction of particularly difficult road projects; among its major achievements in this respect has been the construction of a road through the rugged and formidable mountainous terrain of the Musandam Peninsula, and another to the summit of the Jebel Akhdar plateau from the Wadi Mu'aydin — both extremely impressive achievements. It also assists in well drilling and the maintenance of air strips in remote areas.



*His Majesty, himself an experienced Staff Officer, takes a keen interest in his Armed Forces. Here, His Majesty closely observes recent manoeuvres
(Photograph: Mohamed Mustafa)*

Royal Guard Brigade (RGB)

The Royal Guard Regiment was formed in 1973 with the primary role of protecting His Majesty the Sultan and performing ceremonial and other duties. It is a corps d'elite consisting of some of the fittest and best-trained men in the Army, and is a formidable fighting force. In 1981, it was expanded and re-organised into a full Brigade. Its officers are of the highest quality, and in 1985 a Brigade member was selected

as the best overseas Officer Cadet at Britain's Royal Military Academy, Sandhurst. In that year, coinciding with the celebrations of the 15th anniversary of His Majesty's accession, His Majesty bestowed on the RGB the signal honour of designating 1st November annually as "RGB Day." It was on that date in 1983 that the Brigade received its first Colours from His Majesty.

During the past year, the RGB has concentrated on combat training and the specialist courses held at its Training Battalion. A number of its personnel have been sent abroad to attend courses in Arab and other friendly countries.

The Royal Guard Band which performs on National Day and other State occasions, has earned a high reputation abroad, particularly with its performances against the backdrop of Edinburgh Castle at the Edinburgh Festival in Scotland. Most recently the band and pipes played to an appreciative audience at the Sydney International Military Tattoo in Australia.

Sultan of Oman's Air Force (SOAF)

SOAF in 1987 has been transformed from the miniscule force of Jet Provosts and Beavers which it comprised in 1970. Its expansion and modernisation over the ensuing years has created a force capable of formidably opposing external aggression and carrying out its important task of operationally supporting the Sultanate's land and sea forces.

Air defence and attack capabilities are provided by two squadrons of Jaguar aircraft, equipped with sophisticated modern weapons, and an integrated air defence system which includes long-range surveillance radar and Rapier surface-to-air missiles. Maritime air reconnaissance is another important role. SOAF also provides air transport support for the other Services with its C-130 BAC 1-11, Skyvan and Defender load-carrying aircraft. In addition, there are two squadrons of helicopters, which operate particularly successfully in the rugged terrain which characterises much of the Sultanate.

SOAF has a well-established Technical Training Institute at Seeb where comprehensive training equips its personnel to master the technical complexities of a modern air force. It also has its own Flying Training School at Masirah, which is to be developed as the Sultan Qaboos Air Academy.



SOAF pilots under training

In partnership with its sister Services, SOAF plays an important role in civil assistance.

For many years now the transport wing of SOAF has aided the civil authorities by moving supplies to the more remote areas of the Sultanate and providing medical evacuation services.

Sultan of Oman's Navy (SON)

In 1970 the Sultan of Oman's Navy consisted of two armed dhows. Today, it is a well balanced, formidable force. Although the youngest of the three Services, it has developed rapidly in recent years. It now comprises a squadron of 56-metre missile vessels, a squadron of 37.5 metre gun-armed ships, and a squadron of inshore patrol boats. SON also operates an offshore patrol vessel and two armed amphibious ships with landing craft capable of carrying tanks, vehicles and troops, together with other support craft.



Vehicles landing from a SON assault ship

The main naval base up to the present time has been at Muscat Bay. Now it is to be transferred to a new, large and comprehensive naval complex, just completed, at Wudam on the Batinah Coast between Muscat and Sohar. There is also a Naval Training Centre at Sur, and two forward operating bases: at Raysut, 8 km west of Salalah in the south, and at Jazirat Al Ghanam (Goat Island) near the northern tip of the Musandam Peninsula. This latter base has a particularly essential task in the surveillance and protection of the vital shipping channels through the Strait of Hormuz in Omani territorial waters.

In addition to its defence tasks, SON is responsible for patrolling the Sultanate's territorial waters and exclusive economic zone to prevent smuggling and interference with shipping. The exacting role, over a 1700 km coastline and in the special circumstances of the international waterway of the Strait of Hormuz, results in a wide range of challenging tasks which fully stretch the forces available and demand a high standard of professional ability.

POLICE

Only a rudimentary Police Force existed in the Sultanate of Oman before 1970, and this was confined to the area of the Capital. Known as the Capital Police, it was a force of 73 men with its headquarters at the Bab al Kabir in Muscat. Today, the Royal Oman Police is a modern, highly efficient force of men and women whose responsibilities extend over the entire Sultanate. In addition to policing duties, these responsibilities include the prison service, immigration, civil defence and fire services.

During the past seventeen years the Royal Oman Police has successfully developed a relationship of mutual confidence and assistance with the public. The crime rate in the Sultanate is remarkably low.

Police Day is held on 5th January each year and, in March, there is a Traffic Week when special attention is given to checking vehicles and advising drivers on road regulations, the dangers of speeding and the need for good road manners. This year, the Scouts assisted the Police with the checking and recording of vehicles.

During the past year significant progress has been made in the development of forensic laboratory work and the programme of computerisation, started two years ago, has been steadily maintained, thus contributing considerably to the operating efficiency of the whole field of police work. Much of the work of the Customs and Excise Department has now been computerised, resulting in savings in staff. The Immigration Services have been similarly equipped and by next year all border posts will be computerised. Computerisation has also been extended to the registration of vehicles and the maintenance of criminal records. Personal identity cards are to be issued to all adults from the age of 18. Seven new police stations ranging from the Sultan Qaboos University to the newly-opened Nimr oilfield in the south have been established during the year ending April 1987.

Training for the Royal Oman Police is provided at the Police Academy in Nizwa, where courses are held in basic police work and specialised subjects such as finger-printing, criminal investigation, law, photography, foreign languages, coupled with a strong emphasis on physical



A traffic policeman sets off on patrol

fitness. All police recruits are impressed with the need for courtesy and helpfulness to the public as part of their training.

The Department of Criminal Investigation not only carries out the duties of investigating crime, but also supports the work of other Divisions in the protection of visiting Heads of State and other VIPs, as happened in 1985 when Oman hosted the conference of GCC Heads of State, and in the same year when world leaders, Heads of State and other distinguished personages attended the 15th National Day anniversary celebrations.

The Royal Oman Police has a Directorate of Police Aviation equipped with fixed wing and rotary wing aircraft. The Directorate answers emergency calls for casualty and medical evacuation and supports remote stations by re-supplying men and equipment. It has its own school for the initial training of pilots and engineers.



The Royal Oman Police uses the most up-to-date technology: policewomen operate a computer bank

The responsibility for maintaining law and order at the main ports along the Sultanate's 1,700 km coastline is entrusted to the Coast Guard Division of the Royal Oman Police. With its fast patrol boats it covers Oman's coastal waters, including the strategic Strait of Hormuz, checking for illegal immigrants and contraband, visiting isolated coastal villages, delivering food and medical supplies, searching for overdue fishing craft and pleasure boats and standing ready to evacuate the inhabitants of coastal villages in an emergency.

The original Oil Installation Police were merged into the Royal Oman Police many years ago as its Oil Installation Division, with headquarters at Mina al Fahal and sub-divisions at Fahud and Marmul. The Division provides security coverage for the whole oil industry and is responsible for the patrolling of the pipelines and other installations, ranging from the oil rigs in the desert to the terminal at Mina al Fahal.



A training course for ROP divers

The issuing of visas to visitors from abroad and passports to Omanis is the responsibility of the Directorate General of Immigration which controls entries and departures at airports and seaports. Customs officers at these ports also operate under the Directorate General of Customs of the Royal Oman Police. It is a tribute to their efficiency

that there is no drugs problem in Oman.

Fire Service personnel are trained at the Police Academy's fire station at Nizwa which also serves the Nizwa region. There are now fire stations in all the main centres of population.

The Mounted Division have their headquarters at Wattayah in the Capital area, and carry out mounted patrols on horseback and on camels. It also includes specially trained dogs which search for narcotics and explosives at airports, seaports and at the General Post Office.

The Prison Service under the Directorate of Prisons is also a branch of the Royal Oman Police. Emphasis is laid on the rehabilitation of prisoners and teaching them a trade so that on release they can play a constructive role in society.

Policewomen perform roles similar to those of their male colleagues, including traffic and criminal investigation duties, as well as conducting the searching of women at airports as necessary.

The Royal Oman Police Band has attained a very high standard and has performed at many international events, as well as ceremonial occasions in the Sultanate.

The Royal Oman Police is an active member of Interpol and of the Arab Social Defence Organisation which comes under the Arab League. Exchanges are made for training and familiarisation purposes with the Police Forces of the other GCC States.

ECONOMY

The Economy in 1986

For 1986 as a whole the average oil price was \$13.46, as compared with an average price of \$27.35 in 1985. This fall in average annual oil prices was directly reflected in lower Government revenue and reduced public spending, with derived effects including a net reduction in the expatriate labour force, lower business incomes, reduced aggregate income and expenditure, and worsened trade and payments balances. Although the books are not yet officially closed on 1986, provisional accounting suggests that the Government's revenue from oil fell about 39%.

It is important to note that the Government was able to shield the economy in large measure from the full effects of the oil price shock by maintaining spending. Total Government spending fell only about 7%; most of these expenditures were in payment for past works, rather than for new projects which had started. As carried-over projects are completed the start of new projects will increase and the pace of economic activity will accelerate.

The Oman Economy in 1987

As a result of the sharp decline in oil prices, the Oman economy is now in a period of adjustment. In November 1985, the price of Omani crude stood at \$27.35; by July 1986, the price had fallen to \$8.20 and would have fallen lower had not OPEC returned to a policy of production restraint in August. Since then prices have improved and are now in the \$16.00 to \$18.00 range. While the bottom of this cycle apparently has been passed, Oman still faces a period of reduced spending and slower growth than it had become accustomed to in the recent past. Present problems are best understood in the context of recent successes, so that a brief review of the progress made under the Second Five Year Plan will serve to make the country's present situation clear.

Achievements in the Second Plan Period

Oman developed rapidly throughout the Second Five Year Plan period. Nominal GDP rose from RO 2064 million to RO 3456.6

million, while real GDP grew at a compound rate of about 15% a year. At the same time, the structure of the economy changed significantly. Over the five years of the Second Plan, gas utilisation, manufacturing, utilities, construction and transportation all grew by world standards at very high rates. The growth in manufacturing and gas utilisation is especially noteworthy. Underlying this growth was a successful policy designed to reverse a serious decline in oil reserves and production. Oil production had declined from 366,000 b/d in 1976 to 282,000 b/d in 1980. By expanding investment in research and development, proven reserves rose during the planning period from 2,484 million to 4,001 million, while production rose to 498,000 b/d in 1985. By this means Oman was able to offset the gradual decline in oil prices that began in 1981. The Government was able to increase its spending on development projects from RO 246.7 million in 1980 to RO 533.7 million in 1985. Cumulative development spending for the planning period was RO 2.1 billion.

Major projects of the Second Plan period include constructing 1,925 km of asphalt roads, more than doubling the road system to 3,547 km; building 225 new schools; extending postal services from 16,867 postal boxes to 31,250; nearly tripling electrical power generation to 2,310 million kwh; approximately doubling water production to 7,882 million gallons; and increasing telephone lines 2.7-fold to 41,320. The building of the Sultan Qaboos University was the outstanding single achievement in the construction sector and its future impact on human resource development will be profound. Other major projects include the copper mining and smelting complex at Sohar, the industrial zone at Rusayl, the Bustan Palace Hotel, and the 50,000 b/d oil refinery at Qurm. In the private sector, workers, managers and investors made significant contributions in agriculture, fisheries, manufacturing, construction, transportation, commerce, banking and professional services.

In this period of expansion, considerable structural change occurred. The impact of the development of the non-oil sectors can be seen in the fall in crude oil value added from nearly 62 per cent of GDP to about 47 per cent. The share of the non-oil sectors rose significantly despite a considerable increase in petroleum value added. Although the non-oil sectors increased their share in GDP, several began from very low



One of the Capital's modern shopping centres

bases, so that their contributions to national income are still small in relation to that of oil.

Expansion in the Second Plan period was aided by the rising strength of the dollar-linked Rial Omani. For example, in 1980 the RO was worth 588 Yen, but by 1984 the rate was 782 Yen. This increasing purchasing power meant that the ROs required to buy a given amount of world resources declined, representing a considerable cost saving in imported goods and services. According to the statistics, the general price level (implicit GDP deflator) actually declined during this period of vigorous economic expansion.

Goals of the Third Plan

The rapid development described above was slowed by the collapse of oil prices in 1986. The Third Five Year Plan was released prior to the price fall but, because of the uncertainties imposed by the extreme

price changes, reappraisal of the Plan was necessary. With the return of stability to the market, however, the task of revising the original agenda is nearly complete and the amended version should be released this year. It will include provisions to achieve the following objectives:

- Diversification of the sources of national income, with special emphasis on the agricultural, fisheries, livestock and light industrial sectors.
- Substantial regional development, through improving such services and facilities as education, health, electricity, water, roads and telecommunications, with equitable geographic distribution of development expenditure.
- Development of human resources to play an increasingly significant role in the growth of the economy, through education and manpower training programmes, and through policies designed to increase employment opportunities for Omani nationals.
- Encouragement of the private sector, through maintaining a healthy investment climate, aggregate economic stability, and a conducive legal framework.

The Outlook for 1987 and Beyond

Oman's development still depends to a considerable extent on the oil market. Concerning oil, the outlook is for fairly stable prices in the \$16.00 to \$20.00 range in the remaining years of the 1980s, after which a gradual rise is expected in the real, inflation-adjusted price. Until this improvement actually occurs, growth and development will be slower than in the earlier years. The 1987 budget reflects the necessary adjustment to the realities of lower oil prices. Because of the evident commitment by OPEC to price stability centred on an \$18.00 barrel, the revenue situation in 1987 is expected to improve somewhat, in relation to 1986, but still remain well below the 1985 level. To bring expenditures into better alignment with receipts, total emphasis will be placed on increasing efficiency in the use of scarce resources and on better management of the development process. To facilitate this, sectoral studies and master plans are being prepared for the key non-oil sectors, and a more integrated strategic approach will be taken in planning and managing national development.

Oman is now entering a new phase of development. In the first 15 years of organised development effort much of the basic infrastructure



The Oman International Bank operates a round-the-clock service for its customers

of a modern society was established. Henceforth the problem of choice among competing uses of scarce resources will be more keenly felt. Oman's strengths include hydrocarbons, fisheries, its access to both the Indian Ocean and the Gulf, and an adaptable and resourceful population. Development is constrained by limited water resources and arable land, the smallness of the domestic market, and the relatively late start in modern development. The task ahead is to make the best possible use of available resources, to create new opportunities for our people, and to equip the population with the modern skills needed to take advantage of these opportunities.

COMMERCE AND INDUSTRY

There was no industry in the modern sense in Oman before 1970, and during the immediate years that followed efforts were perforce mainly directed at the development of the oil sector, upon the revenues of which the future development of the country depended.

In the early years the development of industry was slow. During the year 1975/76, when the First Five Year Development Plan commenced, there were only ten industrial units operating in the Sultanate with a total investment of RO470,000. By the end of the First Five Year Plan the number of these units had increased to 393 with a total investment of RO31 million. A considerable advance was made during the Second Five Year Plan which started in 1981; by the end of 1985 the number had increased to 3373 units with a total investment of RO300.7 million. It was in 1983 during the course of the Second Five Year Plan that the Rusayl Industrial Estate Authority (RIEA), with a board of directors appointed by the Minister of Commerce and Industry, was set up with the aim of developing and managing the Estate for the promotion of industrialisation in the country. The Estate comprises 117 fully-serviced industrial plots.

The contribution of the industrial sector to the GDP of Oman is progressively increasing. At the end of the year 1975, this contribution amounted to Rials Omani 2.1 million. At the end of the First Five Year Development Plan (1980) it had increased to Rials Omani 15.6 million. At the end of the Second Five Year Development Plan, it has increased to Rials Omani 115.9 million. At the end of 1985, the contribution of the Industry Sector to the GDP of the country was 3.3%. The Second Five Year Development Plan had set a target of RO76.1 million or 2.3% contribution by the Industry Sector to the planned GDP of Oman by the end of 1985. In other words, this target has been substantially exceeded.

The Sultanate's earlier industrial progress was mainly geared to construction support. With the completion of major construction works and the need for diversification being increasingly felt, priorities have changed. Emphasis has now shifted to consumer goods and other import-substituting industries, not only to meet local demand, but with an eye to cost-effective and competitive exports. During the next



Some Omani products: high priority is given to the development of the non-oil sector of the economy (Photograph: Oman Flour Mills)

fifteen years priority is to be given to the development of light and medium industries, with full utilisation of local raw materials, capital-intensive modern technology and a long-term programme of training Omanis in various skills required in the manufacturing sector.

The Government is giving every encouragement to the development of the private sector in industry. Foreign competition has proved to be an obstacle, and this has been given serious study by the Ministry; some measures of protection are necessarily being afforded. The Ministry provides the following incentives to local industry:

1. Surveys of industrial investment opportunities and preparation of feasibility studies are offered to the private sector.
2. Provision of interest-free Government loans to industry under a Royal Decree, in addition to the loans provided by the Oman Development Bank (ODB).

3. Exemption from customs duties on imports of equipment and raw materials required for production purposes.
4. Tariff protection through imposition or increase of customs duties on imported goods similar to local products or prohibition or restriction of their importation, taking into consideration the quality and quantity of local production and the interest of the consumer. Products currently under protection include some types of pipes, cement, cement products, lime, paint, polyurethane products, corrugated cartons, vegetable oil and detergents.
5. Exemption from income tax for a period of five years, a concession which may be renewed for another period of five years.
6. Provision of planned and serviced industrial plots for the establishment of factories.

The Oman Development Bank (ODB) plays an important role in implementing Government measures aimed at encouraging greater private sector participation in the country's development. Its loans are for up to ten years with a grace covering implementation on 1st year of the operation period. The interest rates paid by the projects financed by the Bank are subsidised by the Government. The projects implemented in the Capital area or the Rusayl Industrial Estate (RIE) will pay only 6% per annum and, for the projects implemented in other areas, there is a special rate of 4%. The ODB's lending commitments for any one project may not exceed 20% of its equity or 10% of its total resources. To minimise risk exposure the Bank does not commit more than 10% of its equity to any one project. The ODB has embarked on two new enterprises: a Small Scale Enterprise Scheme and a Vocational Graduate Scheme, by which investors can receive up to 80% of the project cost not exceeding RO100,000 and graduates of the Vocational Training Centre who wish to open a small workshop will be able to have their project financed on a leasing basis at the special rate of 3% per annum.

Foreign investment in industry is welcome. It is governed by the Foreign Business and Investment Law. The minimum Omani participation in a joint venture company should not be less than 35%. In practice, however, it is preferred that foreign equity does not exceed 49%. Industrial companies with foreign investment are exempt from



An upholstery fabric factory at the Rusayl Industrial Estate

income tax for five years. If the project directly contributes to economic development the exemption can be renewed for a further five years.

In May this year the Minister of Commerce and Industry announced significant impending measures designed to stimulate the nation's economy. These included the establishment of industrial estates at Salalah, Sohar, Nizwa and Sur during the current Third Five Year Plan, as well as the second and third stages of the development of the Rusayl Industrial Estate.

In the same month, the Minister attended the 8th meeting of the G.C.C.'s Committee on Commercial and Industrial Cooperation in Riyadh. Joint industrial ventures and coordination of industrial activities were discussed.

During the Third Five Year Plan the Government is to undertake feasibility studies on projects using locally available raw material. It is

also considering setting up an Oman stock exchange bureau which is likely to become a reality by the end of the year.

Another new policy development this year has been the announcement by the Ministry of an intention to stimulate tourist enterprises and attract more visitors from Arab and other countries. The Ministry is to allocate RO2 million annually for interest-free long-term loans to Government-approved tourist projects.

The private sector is being encouraged to invest in industry. A scheme for constructing a 300-boat marina in the Capital area is being actively pursued.

Plans for the establishment of an RO2.5 million Hotel and Tourism Institute have also been finalised. The Institute will provide skilled Omani manpower for the hotel industry, and will eventually train staff for airline offices, travel agencies and tourist organisations.

Oman Chamber of Commerce and Industry

The Oman Chamber of Commerce and Industry was set up in 1973 to encourage industrial and commercial development in the Sultanate. All business organisations in Oman are expected to be members.

The Chamber acts as a bridge between Omani and foreign businessmen and investors, and promotes, organises and protects the economic interests of the country. Among the services it provides are information about potential fields of operation, the categories of members, and clarification of practices and procedures governing trade and industry in the Sultanate. Both local and foreign businessmen and investors can obtain statistical data and other details about local markets and/or potential areas for investment; members are kept in touch with foreign markets through the Chamber's bulletin and magazines.

The Chamber legalises documents, invoices, agency and labour contracts, and issues certificates required in trade and industry. It acts as arbitrator in the event of commercial disputes between local members and foreign businessmen or investors, and participates in the discussion of problems with various government organisations. It also sponsors and facilitates the issuing of visas to foreigners wishing to establish business relations in Oman, but who do not have contacts in the Sultanate.

OIL AND GAS

Oil and Gas discovery and their development in the Sultanate is one of persistence and eventual success. Exploration originally began in 1924.

In 1954 the Iraq Petroleum Company (IPC), operating from its base at Duqm on the south-east coast of Oman, commenced drilling operations, moving northwards through Haima to Fahud, a classic oil-bearing feature, but always without success. Having abandoned its attempts, IPC withdrew and the concession was granted to Petroleum Development (Oman) Ltd., of which Shell was the majority shareholder; the minority shareholders being Compagnie Francaise des Petroles and Partex. The first major discovery was made at Fahud in 1964 only 300 metres from a dry well previously sunk by IPC. Discoveries on a commercial scale were also made at about this time at Yibal and Natih in the same region. The American oil company, Continental, had already discovered heavy oil in Dhofar, but it was not thought to be of commercial value at that time.

The discoveries at Fahud, Yibal and Natih were therefore the beginning of the oil industry in Oman. The first exports from the Sultanate began in 1967. In the years that followed, further discoveries of small fields were made in the north of Oman. In more recent years oilfields have been discovered in the south; exploration continues with promising results. The latest oilfield to be opened, late last year, was the Nimr field in southern Oman. As the world price of oil rose steeply in the 1970s, so the Sultanate's smaller oil fields also became commercially viable.

Many of Oman's oilfields are small since the oil-bearing formations are fragmented and are some distance from the coast, requiring lengthy pipe-lines. The oil from the south is piped northwards to the main line from Fahud to the coast for lack of natural harbours in the monsoon-swept south. The Iraq-Iran conflict has highlighted the strategic advantage of Oman's outlet at Mina al Fahal, where tankers can call in safety, without undergoing the hazardous Gulf passage, and insurance rates on cargoes, crews and ships are consequently much reduced.

Production of oil rose steeply in the first years between 1967 and 1970, reaching 332,000 barrels a day (b/d), but a decline set in during the

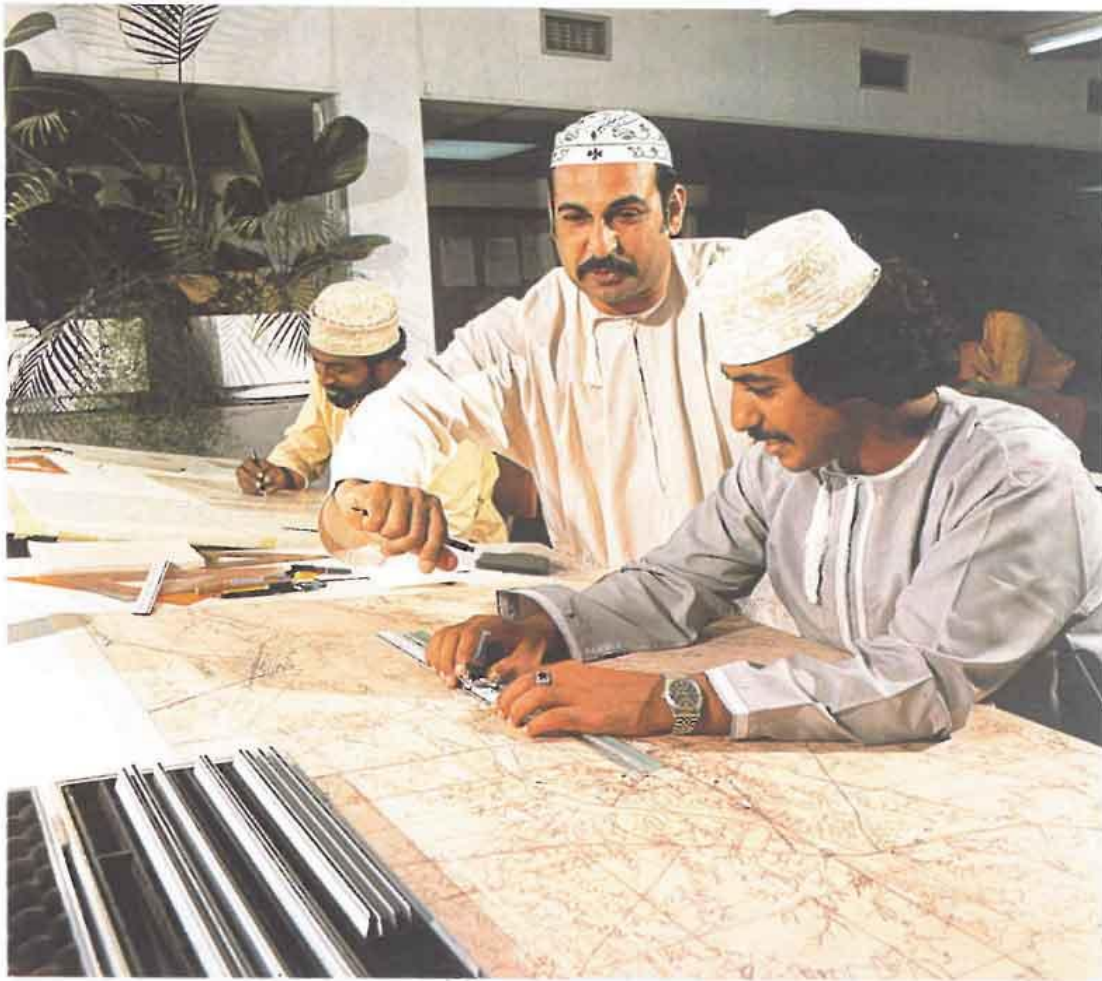
following five years until new discoveries in central Oman were brought into production in 1975. By 1977 a further decline was threatened, and in 1980 production had fallen to 282,000 b/d. However, by then oil had been discovered in the south, and the next five years saw an upsurge in production which reached a peak of 600,000 b/d in 1986.

Falling oil prices in the early 1980's made it initially desirable to increase production, which resulted in the rapid rise in output during that period of time. Oman is not a member of OPEC or OAPEC, but has always kept in step with oil prices maintained by OPEC. When OPEC members agreed to implement oil production quotas in order to stabilise the world price of oil, Oman cooperated by voluntarily reducing production. In September 1986, it was therefore reduced from 600,000 b/d to 550,000 b/d. On 1st February 1987, a further 5% cut was made to 530,000 b/d, of which 468,000 b/d, are for export and the remainder for domestic requirements. His Majesty made this policy decision as a gesture of support for the OPEC stabilisation agreement of December 1986 and to create a situation in the world market that would be fair to both producers and consumers.

PDO, in which the government holds a 60% stake, remains the country's main oil producer. Now, there are a number of oil companies either producing or prospecting for oil in the Sultanate. Elf-Aquitaine Oman has been pumping oil on a limited scale from its Sahmah field in western Oman since 1980, and OXY Oman became the third oil producer in 1984 with limited extraction from four wells at Safah in its Suneinah concession near Ibri in the north. In the field of exploration, some 23 oil companies, including Japanese, British, American and French, are involved in a total of 9 areas. These companies have signed production-sharing agreements with the government, which place responsibility for financing exploration on the foreign consortium.

All Oman's oil is pumped into the main pipeline from Fahud to Mina al Fahal. Oil from the southern fields is piped from Marmul to the main line at Nahada. A recent discovery at Zauliya has justified the construction of a 78 km pipeline to link the field with Marmul. Other new discoveries were similarly linked in 1985 and 1986.

PDO has introduced enhanced oil recovery (EOR) methods in some of its fields. At Marmul a steam injection plant is used to recover heavy



Exploration is a continuing process: experts plan further development of the nation's oil resources (Photograph: PIDO)

crude oil, the first of its kind in the Middle East. Without such a technique the recovery of heavy viscous oil is extremely slow. In some fields, other EOR methods are used by means of the injection of gas and water.

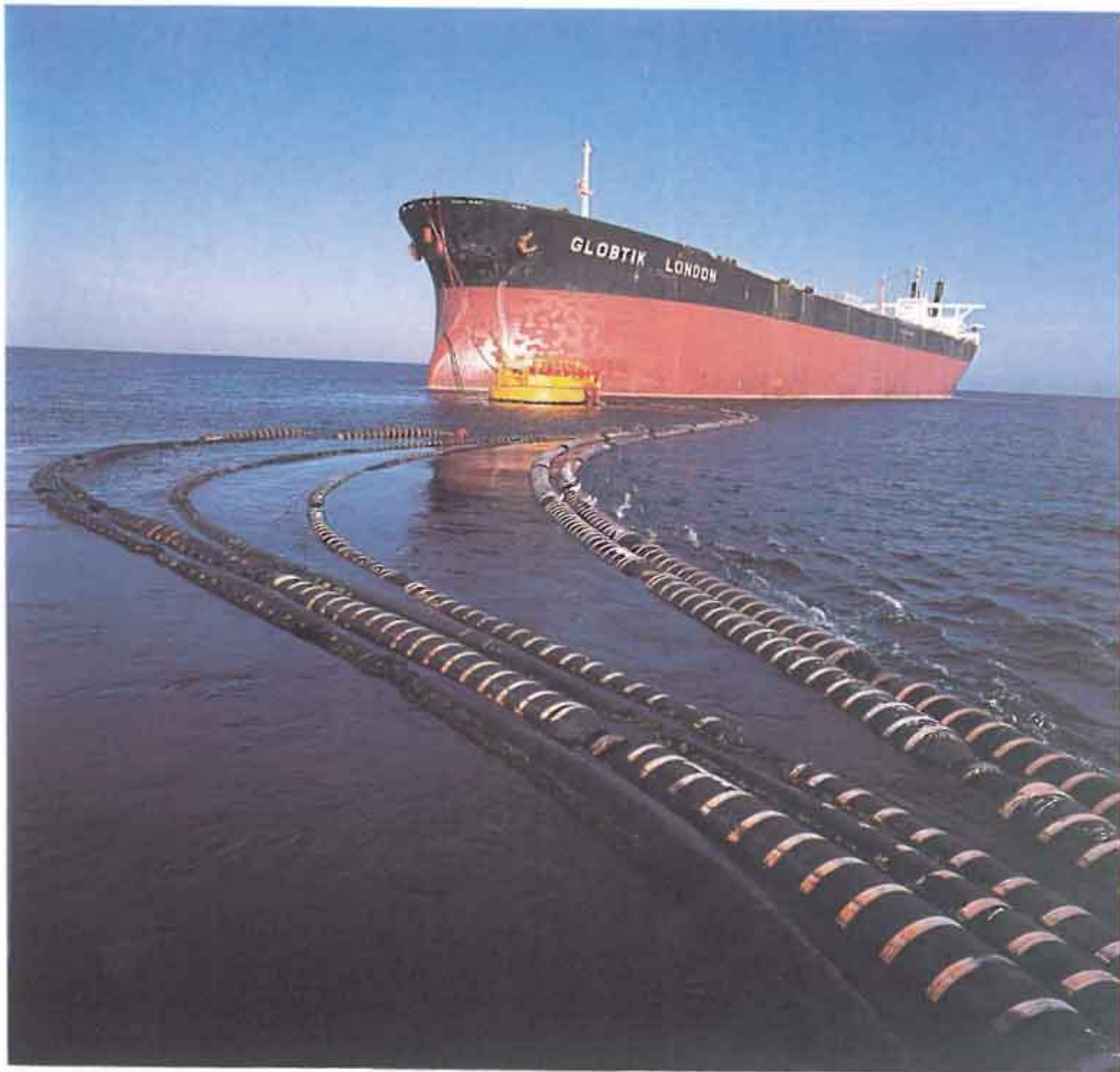
An offshore discovery of oil has recently been made by the International Petroleum Corporation (IPC), also known as the Lundin Group, in their concession area off the west coast of the Musandam



Heavy seismic exploration plant at work in the Interior (Photograph: PDO)

Peninsula. The oilfield's reserves are being evaluated; should these prove positive, oil production could start in 1989. Other potential production areas exist offshore on the eastern side of the Musandam Peninsula.

An oil refinery was constructed at Mina al Fahal and came into operation in 1982 to fulfil the requirements of the domestic market. It originally had a refining capacity of 50,000 bpd, but, with the



A tanker loads with Omani oil at the Mina Al Fahal terminal (Photograph: PIDO)

continuous increase in the usage of refined products in the Sultanate, it has been decided to upgrade the production capacity of the refinery to 80,000 bpd by the middle of this year. The basic philosophy of building the refinery for domestic usage remains unaltered, and there are no plans for exporting refined products. The increase in output is expected to meet the Sultanate's requirements until the year 2000.

In recent years gas has played an increasing role in the development of



PDO's gas plant at Yibal (Photograph: PDO)

Oman and its industries, notably in the development of the Rusayl Industrial Estate, saving valuable fuel oil. The government gas system was started in 1978 with the construction of a gas pipeline linking Yibal with the al Ghubra power station and desalination complex near the Capital. Gas is also supplied to the power station in the Rusayl Industrial Area as well as the Wadi Jizzi power station which serves the copper smelting facility, Sohar, Buraimi and surrounding villages. Gas is provided as well to the Sultan Qaboos University. PDO is the largest

consumer of associated gas, which it requires for its power plants and equipment and for reinjection into oil reservoirs to maintain pressures and to sustain oil production rates.

The government gas system is wholly owned by the State and operated by PDO. Reserves of associated and non-associated gas are estimated at approximately 9.3 trillion cubic feet (TCF), the greater part of which is non-associated. In order to increase these reserves to meet projected industrial demand well into the 21st century, the government financed a PDO gas exploration programme in 1984. This programme has resulted in confirmed discoveries of .8 TCF of gas, a major one being at Yibal in 1985, in the Khuff formation below the earlier developed oilfield, where significant quantities were found, as well as, coincidentally, an oil reservoir. During the Third Five Year Plan the most significant expansion will be the looping of the existing 20 inch pipeline from Yibal to the Capital Area with a 36 inch pipeline. This should meet the Capital's requirements beyond the year 2000. A study is being undertaken this year to review the technical and organisational options available to the government gas system in the future.

A natural gas liquids (NGL) plant at Yibal started operating in 1979, and similar plants are now in production at Fahud and Saih Rawl to clean gas and extract light hydrocarbon liquids as additives to improve the quality and increase the quantity of crude oil. In 1980 a liquid petroleum gas (LPG) plant was added at Yibal to extract butane and propane, and flaring gas has almost ceased. The LPG is taken by road tanker to a private sector bottling plant in the new industrial area at Rusayl.

MINERALS

The geological structures of the mountain ranges of Oman are such that the prospects for future discovery and exploitation of minerals are very promising.

Between 1981 and 1985 the Ministry of Petroleum and Minerals carried out an extensive geological survey of the Sultanate when considerable progress was made in the exploration of chrome and manganese. It is now known that chrome exists in the Samad/Sumail area where there is a confirmed reserve of 400,000 tonnes, and in the Rajmi area near Sohar. Further studies are being carried out in these locations and, when they are completed early next year, a decision will be made as to future exploitation. The indications for further discoveries are encouraging. Detailed geological, mapping, drilling and evaluation in the Ras al Hadd area in south-eastern Oman indicate the existence of considerable reserves of manganese ore. Exploration in the Jebel Hammad region has also revealed the existence of numerous thin beds of manganese. Preliminary investigations in the Fanja and Ibra areas have shown the existence of large quantities of labrite, with iron and nickel. Exploratory work is continuing here.

Deposits of coal are known to exist near Sur, in south-eastern Oman, as well as asbestos in the Wadi Haybi west of Sohar. Gypsum, of which large quantities are to be found in Dhofar in the south, and limestone, are being exploited for the cement factories at Raysut in the south and Rusayl in the north. High quality marble is being quarried at several locations, and marble products are being exported by private companies to neighbouring countries.

The existence of copper ore in the north has long been known, since it was being extracted and exported to the Sumerian empire several thousand years ago. Currently copper is being mined at three locations: in the Wadi Jizzi at Bayda, Aarja and Lasail. Together, they contain approximately 11 million tonnes of ore with a copper content of nearly 2%. The original life-span of these mines was estimated at 11-12 years, but it has now been confirmed that it can be extended beyond that period, particularly at the Lasail mine. Efforts are being made to discover additional quantities of copper ore in the area and the outlook is optimistic. The whole Sohar copper operation is run by the



Mineral deposits under analysis in the PDO laboratories (Photograph: PDO)

State-owned Oman Mining Company (OMCO).

The copper smelting and refining complex near Sohar was opened in 1983. By 1985 annual exports of refined copper cathodes had risen to 12,724 tonnes, worth RO 6.9 million. In the first seven months of 1986, 8,385 tonnes had been exported thereby indicating a considerable rise during the year. The main importers of Oman's copper are Britain,

Japan, Korea and Taiwan. Quantities are also exported to Bahrain and Saudi Arabia.

Chromite is obtained from the same three mines in the Wadi Jizzi, and, by the end of 1985 OMCO had exported over 7,000 tonnes, worth RO 272,000.

Exploration for minerals in different regions of the Sultanate is continuing.

AGRICULTURE

Before the exploitation of oil made it possible for the Sultanate to develop into a modern State; its modest economy was based almost exclusively on agriculture and fishing. Little was available for export apart from dates, limes and livestock. The rapid development of the country following the accession of His Majesty the Sultan in 1970 led to a broadening of employment opportunities whose demands on manpower threatened to compete with traditional occupations. The government appreciated the problem at an early stage and comprehensive efforts are being made to encourage farmers to remain on the land and till it using modern technologies and fishermen to continue with their traditional livelihood.

Oman is a large country, the second largest in the Arabian Peninsula with considerable variations of climate and geography. Thus it produces a wide variety of agricultural products ranging from temperate climate fruit and nuts such as peaches, apricots and almonds, grown on the heights of the Jebel Akhdar, to the more typical arid climate crop such as dates. Northern Oman is famous for its limes, where as coconuts, bananas and papaya are grown on Salalah Plain.

The principal limitation on agriculture is the need for careful water conservancy. Overall, Oman has a dry climate and some areas are subject to periods of drought; rainfall is sporadic, often in the form of heavy storms, the exception being the coastal regions and seaward-facing mountain slopes, those in Dhofar receiving a regular summer monsoon rainfall during the months of June to September. In recent years the expansion of land under cultivation has resulted in the resources of subterranean aquifers being over-taxed, particularly along the Batinah Coast, the most intensively cultivated area of the country, where salination of the water resources has become a problem. Another problem both in the north and the south has been the over-grazing of the land by livestock threatening desertification. Rationalisation of water resources is the responsibility of the Council for the Conservation of the Environment and Water Resources, which is described in detail in the chapter on water, and of which the Minister of Environment and Water Resources is Deputy Chairman under His Majesty.

Agriculture in Oman largely depends on well water and the falaj

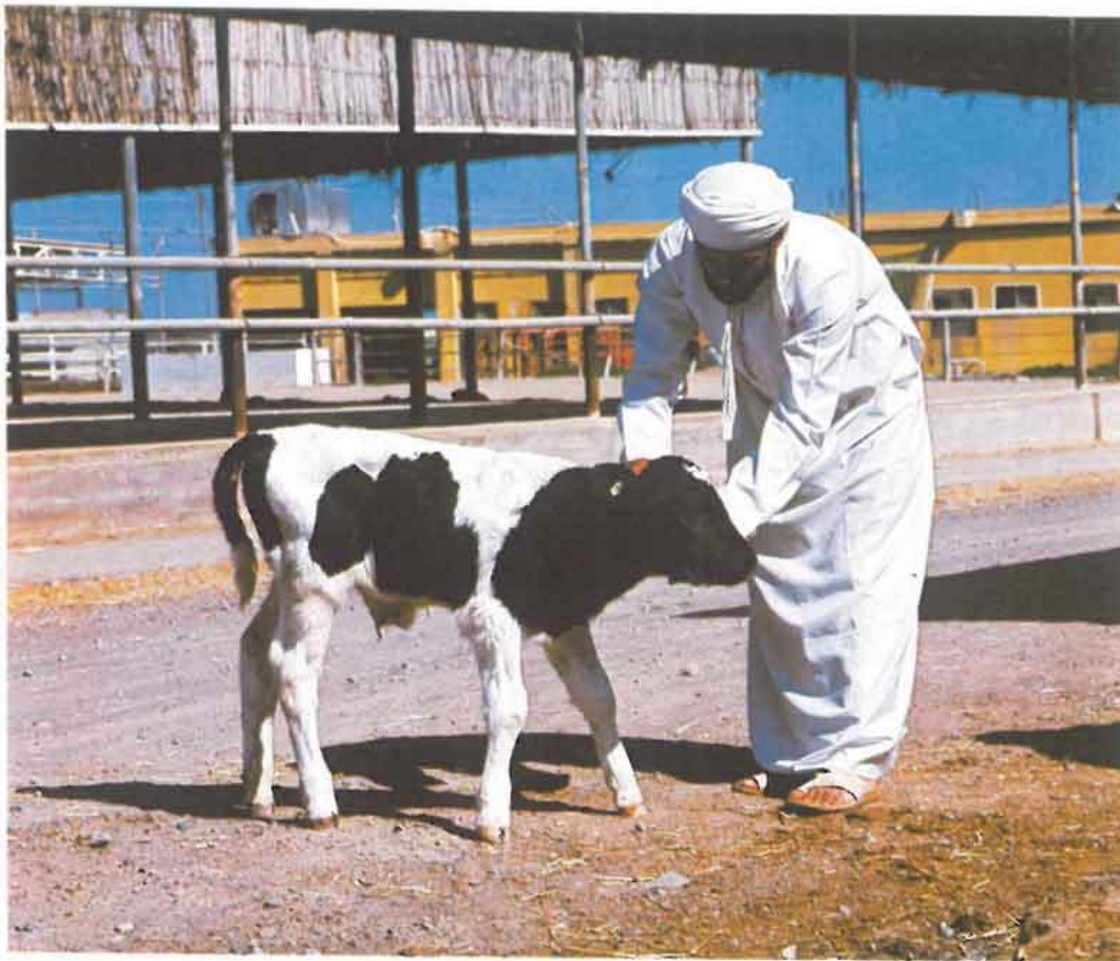
system. The origin of this system is almost lost in the mists of antiquity. It is certainly many centuries old. One thing is certain: that it is a highly efficient system and nothing has since been found to better it. In most cases water is tapped at the water table in the mountains and led by man-made subterranean channels, up to 10 km in length, to the plains where it follows surface channels, often involving the use of aqueducts, and then syphons off to the area of cultivation. The use of the water is very carefully controlled in the villages by means of allocating periods of irrigation to individual farmers.

The long-term intention of the government is to make Oman self-sufficient in food. Considerable progress in this direction has already been achieved. To this end an Agriculture and Fisheries Bank was established in 1981 with a capital of RO.19 million. Loans are granted at low rates of interest both to companies and individuals. The role of the bank is not restricted to part-financing of projects. It also arranges technical assistance, identification of projects and feasibility studies.

Diversification of the economy away from total dependence on oil has long been given high priority by His Majesty. Now that the national infrastructure is virtually complete, added impetus will be given under the Third Five Year Plan to this policy. Accordingly, the Ministry of Agriculture and Fisheries is to concentrate on raising the productivity of the land and reducing production costs. The capital of the Agriculture and Fisheries Bank is also to be increased.

In order to increase the area under cultivation, close co-operation has been established between the Ministry of Environment and Water Resources, with its overall responsibility for water resources, and the Ministry of Agriculture and Fisheries. Many aflaaj (plural of falaj) have fallen into disuse over the years, resulting in land going out of production. These are now being repaired. The hitherto indiscriminate sinking of wells for irrigation purposes, resulting in the lowering of water tables and salination of aquifers is being brought under centralised control. Dams for recharging of aquifers and irrigation purposes are being constructed. At an individual level, farmers are being shown how to use water economically by the use of sprinklers drip feeding and bubblers.

Government farms have been in existence for many years now, but



A calf is vaccinated at a cattle improvement establishment (Photograph: Oman Flour Mills)

have been increased in number in recent years to include production farms and research stations for agriculture and animal husbandry. Field workers from 38 extension centres visit farmers to advise on the latest farming techniques and to provide subsidised products such as improved fertilizers and pesticides. They also loan agricultural machinery to farmers. The government is encouraging more private participation in agriculture, and in pursuance of this policy the extensive Oman Sun Farm on the Salalah plain has now been transferred to private ownership. A recent successful agricultural venture at the instigation of His Majesty has been undertaken by PDO



Oman produces a wide range of fruit and vegetables

in the desert near Rahaba; a 40 hectare project is to be enlarged by another 63 hectares as a result. One of the project's major successes has been in the production of forage crops, especially Rhodes grass which is now being sold to Bedu buyers.

Extensive veterinary services have been developed in Oman. A veterinary hospital has been established in Salalah, and some 25 clinics and 26 sub-clinics throughout the country. A nationwide vaccination programme has been carried out, innoculating nearly half a million head of livestock against foot and mouth disease. Under the Third Five Year Plan the veterinary services are to be further expanded with emphasis on vaccination, quarantine measures and the establishment of demonstration centres.

A problem facing local producers is competition by imported food-stuffs. Customs duties are therefore being levied on these imports, and the government is actively addressing itself to the avoidance of local



Locally-grown fruit and vegetables are loaded at the Public Authority for Marketing Agricultural Produce

surpluses. One of the most successful and impressive aspects of the Sultanate's agriculture has resulted from the establishment by Royal Decree in November 1981 of the Public Authority for Marketing Agricultural Produce, to encourage farmers to increase production by creating a body to market their produce, and ensure the availability of these products in the required quantity and at reasonable prices. The Authority provides a link between the farmers and traders through a well organized marketing network; this provides farmers with a marketing outlet and encourages them to grow high quality produce. The Central Distribution Centre is at Ghala in the Capital Area and there are 17 collection and distribution sub-centres throughout the Sultanate.

During his tour of the Interior in March 1987, His Majesty announced the government's decision to set up a national company for the marketing of meat and animal products. It is to be a joint stock company enjoying an initial Government subsidy.

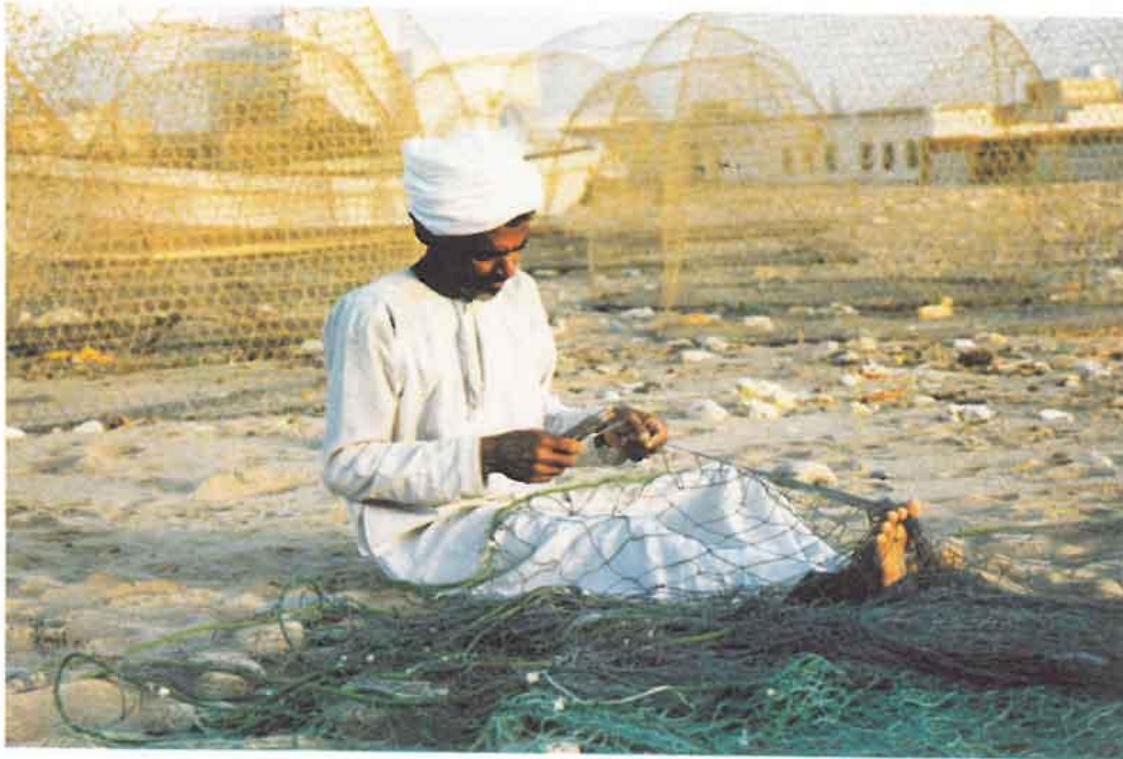
FISHERIES

The seas bordering the Sultanate are rich in fish providing a huge potential which has so far only been partially exploited. Traditionally, Omanis in the coastal towns and villages have derived their living from the sea and many still continue to do so. In order to develop the industry to the full, the Government is taking energetic steps to encourage fishermen to continue with their occupation by supplying them with aluminium and fibre-glass boats and outboard engines at subsidised prices, distributed by the Fishermen's Encouragement Fund in co-ordination with the Agriculture and Fisheries Bank.

Omani waters have an abundance of demersal (deep sea) and pelagic (surface feeding) fish, both in the Gulf of Oman and in the coastal waters of the Arabian Sea in the south. Lobsters trapped in large quantities in southern waters now form a lucrative export. Along the Batinah Coast in the north, shoals of sardine-type fish come inshore at certain seasons and are netted by local fishermen to be dried and used as animal feed and fertiliser. In the south cattle breeders in the mountains buy dried fish to feed their cattle during the dry season when grazing has been exhausted.

It is estimated that the present annual catch of fish is 100,000 tons. A Fisheries Department was set up in 1972 and developed to a Directorate General in 1974 including a number of fisheries departments and commissioned a number of foreign organizations specialising in this field to carry out studies and report on the prospects of developing this potential as a means of diversifying the Sultanate's economy. It is estimated that 300,000 tons of fish can be safely caught without exhausting the resources which include demersal and pelagic species in addition to the tona and sardines. During the First Five Year Plan, some RO.15 million was allocated for further studies and construction of registration units, ice-making factories and refrigerated lorries for the distribution of fish.

In 1976 the Ministry signed an agreement with a Japanese fishing company to operate off the southern coast of Oman, but this was limited to deep-water fishing and allocated 40% of the catch to the government. Omanis were also attached to the Japanese vessel for training in modern fishing methods.



Oman now possesses a modern fishing industry, but traditional methods are still important: a fisherman repairs his nets

In 1977 the agreement with the Japanese came to an end and was replaced by a new concession to a Korean Company which returned a third of its catch to the government as royalties. The Oman National Fisheries Company (ONFC) was set up in 1980 with government assistance, and organized the export of fish to countries ranging from the United States to Thailand. Meanwhile, the Ministry established the infrastructure of the industry with the construction of cold stores, ice plants, freezers and marine workshops to offer maintenance for fishermen's equipment in Sohar, Salalah, Muttrah, Sur and elsewhere. The fishing industry in Musandam, upon which that region is economically dependent, is covered in detail in the chapter on Musandam. In the interior, there are retail outlets for fish at Nizwa, Ibri, Dhank, Manah, Rustaq, Mudhebi, Wadi Taeen, Qabil, Ibra, Bahla, Hima, Hamra, Nakhal and Izki.

During the past year, a Marine Sciences and Fisheries Centre has



Fish processing factory at Muttrah

been opened between Sidab and Al Bustan near Muscat at a cost of RO.1.5 million. The idea was first mooted in 1976 by UNESCO and the FAO. The Centre has responsibility for the overall development of fisheries in Oman. It has a wide brief embracing conservation, ecology, oceanography, biological research, food technology and farming, as well as an educational role. The biological section studies large and small pelagics, demersals and crustaceans. The centre has a comprehensive fisheries library, an aquarium and a guesthouse for visiting scientists. There is also a small Fisheries Centre at Salalah.

WATER

Oil has been described as the lifeblood of Oman. Economically, this may be true, but in the long term water is the true lifeblood of the country. Many centuries ago a highly efficient and ingenious method of using water to the best advantage for irrigation and other purposes by the ancient falaj system was constructed. Now, the Government is coordinating efforts for the most efficient use of the country's limited water resources through the Council for Conservation of the Environment and Water Resources.

In 1970, one of the most pressing problems confronting the Government was the urgent need to develop the country's water resources. Two Councils concerned with the environment were merged into the Council for the Conservation of the Environment and Water Resources, of which His Majesty is personally the Chairman and the Minister of Environment Deputy Chairman. Various related Ministries are represented on the Council. The Council formulates water management policies, and is supplied with data by the Directorate of Water Resources Research in the Council Secretariat (formerly the Public Authority for Water Resources which was established in 1979).

Thus, on a day to day basis, water policy is controlled by the Ministry of the Environment and Water Resources which deals with the various interest groups such as agriculture, industry, and domestic water supplies, whose interests can often be conflicting. The Ministry of Agriculture and Fisheries is concerned with water usage for irrigation purposes, such as the falaj system. The Ministry of Electricity and Water provides potable water for domestic purposes and supplies water to industry.

Water reserves in the Sultanate are divided into those supplied by rainfall, which are renewable, and fossil water which, like oil, is finite and cannot be replaced. This latter, which derives from a period when the climate of Oman was considerably wetter than it is today, has to be carefully husbanded. Rainfall is limited in Oman, and varies considerably throughout the country according to its geography, but generally is spasmodic and unreliable except in a limited area of southern Dhofar which receives regular summer monsoon rains. Elsewhere, rain falls most frequently over the mountains of northern Oman — often in the form of violent storms.



Water conservation is vital to the Sultanate: one of the recently constructed dams near Seeb (Photograph: CCEWR)

During the last seventeen years considerable progress has been made in hydrological surveys of the Sultanate in which assistance has been given by several outside institutions such as the British universities of Durham and Bristol. The information derived from these various sources is collated by the Directorate of Water Resources Research, from which government policy is ultimately formulated.

There are some current problems which are receiving urgent attention: notably on the Batinah Coast, the most thickly populated

and intensively cultivated region of Oman. Here, the increasing affluence of the country over recent years has permitted farmers to extend the area under cultivation by large-scale well-drilling; this has resulted in neighbouring sea water invading subterranean aquifers, and the salinity of irrigation water has thus been increasing. This problem is compounded by the fact that farmers further inland, closer to the Hajar mountains from which the water is derived, have also been sinking more wells and drawing off more water for irrigation purposes with the result that less water is reaching the Batinah Coast, and wells have to be sunk even deeper. The Ministry of Environment and Water Resources is applying a compulsory overall policy to bring all wells and well-drilling under government control, in order to resolve this situation.

Whereas along the Batinah Coast water for irrigation is derived from wells, in the Interior it is supplied by the ancient falaj system. A description of this traditional system and how it operates is given in the chapter on Agriculture and Fisheries. Many of these aflaaj, constructed 800 years ago or more, have for various reasons fallen into disrepair. Keenly aware of the crucial need for carefully husbanding water resources, the Ministry spent RO22 million on maintaining 950 aflaaj, and 4,500 wells between 1981 and 1985. This policy will, in the long term, substantially increase the area under cultivation in the Interior. Farmers are being encouraged to use modern methods of irrigation such as sprinklers, centre pivots and drip systems, which are more economical in the use of water than the traditional methods.

A highly effective method of conserving water is the construction of recharge dams, the first of which was completed at Al Khawd, near the Capital, in March 1985. Other similar dams have since been completed in the Wadi Hilti-Salahi (Sohar) and at Quryat (near Jabrin). The purpose of these dams is to tap the run-off of rainwater, which occurs when storms break over the mountains, and ensure that it seeps into the ground to recharge the subterranean aquifers. There is also a protection dam against salt water at Sur. Another dam has been constructed in the Wadi Khasab in Musandam which serves the dual purpose of flood control and recharge dam.

Potable water for drinking purposes and other domestic needs in the Capital area is obtained from desalination plants and wells. Two additional desalination units at the Al Ghubrah thermal power/

desalination plant came on stream last year, making a total of four units with a capacity of 23 million gallons per day. In addition, two well-fields in the Wadi Adai and Seeb areas, with a production capacity of 3 million gallons per day each, boost the total output. Smaller desalination plants are in operation elsewhere in the Sultanate, including Dhofar, which has a large reservoir of water under the Salalah plain, and Musandam. The latest to come into operation under the Third Five Year Plan is on the Kuria Muria Islands in the south.

In the more remote areas, the two systems of seawater desalination and brackish water desalination are used; both use the same technology of reverse osmosis.

ELECTRICITY

In 1987 it is difficult to imagine that twenty years ago the only source of electricity in the Sultanate, outside PDO's operations, was a small generating station within the walls of Muscat. In the late 1960's a new generating station was built at Riyam between Muscat and Mutrah with an output of only 3 MW. Now, electricity and power supplies have been extended to almost every home, but the demand continues to grow. The Ministry of Electricity and Water (MEW) is faced with the dual task of meeting the increasing demands of the rapidly growing urban and industrial areas and at the same time extending the supply of electricity to the more remote areas of the Sultanate.

Now, in 1987, there are 24 power stations. Two are in the Capital area, four in the Southern region, four in the Batinah together with a station at Wadi Jizzi some 30 KM in land from Sohar, four in the Dakhira and Dhakliya areas, five in Sharqiyah three in Musandam and one on Masirah Island. This growth of capacity has been to meet the tremendous growth in demand for electricity in both urban and rural areas. As an example, the maximum demand in the Capital area has grown in the ten years from 1976 to 1986 from 46 mw to 492 mw — a growth of more than ten times and corresponding to a sustained rate of 27% per year.

The two largest power stations in the Sultanate, 287 MW at Gubrah and 250 MW at Rusail combine to meet the electrical needs of the Capital area and some of the nearer rural towns.

The first stages of Gubrah used oil as a fuel, but conversion to natural gas was completed in 1978, and now all plant at both power stations is gas-fired. At Wadi Jizzi a 160 MW gas-fired plant supplies the needs of the copper mines and processing plant of Oman Mining Co, together with the demands of the towns in the Northern part of the Batinah and in the Buraimi area.

The Salalah area is served mainly by two large diesel stations, one of 35 MW capacity in Salalah itself and one of 36 MW capacity in nearby Raysut. Diesel stations serve the power demands of the rural areas of the Sultanate.

The demand for electricity continues to grow and under the Third Five Year Plan, the second phase of the Rusail Power station will be completed during this year. This will increase the total capacity of the



Part of the Sultanate's extensive national power grid (Photograph: PDO)

station to 500 mW. Seven other projects including those in the Wilayats of Bahla, Nizwa, Izki will be completed at the same time. By the end of this year work will be completed on linking Sohar, Ibri, Dank and five other townships and neighbouring areas with the Wadi Jizzi network. Tenders have also been invited for consultancy work for a power station at Barka on the Batinah Coast and feasibility study has recently been completed for another gas-fired power station at Manah in the Interior to serve the Waliyats of Nizwa, Izki, Bhala and the neighbouring areas. A power station and desalination plant in the Kuria Muria Islands in the South, with four diesel generating units with a total capacity of 544 KW became operational early this year.

SOCIAL AFFAIRS

During the past 17 years Oman has created a social welfare system which compares favourably with the best in the world. Before 1970 social welfare was virtually non-existent in the Sultanate but, following His Majesty's accession, first priority was given to improving the quality of life for the Omani people, and a comprehensive welfare system was introduced in 1977 by a Royal Decree.

At first the difficulties were very great. At that time there were no roads, no telephones and much of the country was isolated from the centres of administration in the Capital area. It was therefore essential that national development should proceed on a broad front if it was to succeed, since each aspect of that development was inter-dependent. This most certainly applied to the people's welfare. Under His Majesty's leadership, this drive has been successfully maintained over the succeeding years. Communications have now been improved to the point where it is possible to bring even the most isolated communities into the social welfare system.

The aim of the social security system is to ensure that all Omanis can achieve a sound standard of living and lead a dignified independent existence, by comprehensively providing for those most in need. Earlier measures were carried forward in 1980 by a Royal Decree which further increased the minimum level of social security payments to families and individuals. By the end of 1986 social security benefits had been provided in 36,309 cases at a cost of RO10½ million. Financial aid is given to the aged, disabled, widows, women in need and families who look after orphans as well as unmarried women who have no-one to depend on. The disabled are also assisted by the provision of free vocational training facilities at centres in Salalah and the Capital area, and another at Al Khood will open in 1987.

Assistance is also given to some families by providing them with a plot of land to cultivate and in the marketing of their produce. Others are helped to become independent by supplying them with the equipment needed to start a business and others receive specialised training in trades such as tailoring and other productive occupations.

Particular attention is given to the handicapped. Those who are to take up the vocation of helping them are sent on specialised courses abroad



Girl students at Oman Technical and Industrial College

and to seminars and commercial companies at which ideas are exchanged and latest methods taught.

All such training has the aim of integrating the handicapped as fully as possible into the social life of the community; clubs, summer camps, sports meetings and other group recreational activities are actively promoted. The National Oman Committee for the Care of the Handicapped has done much to procure employment for the handicapped in Ministries, Government institutions and the private sector. Aftercare and employment for the handicapped are important aspects of the Ministry's work.

Special interest is being taken in the development of local communities, in close collaboration with other Ministries, the UNDP and UNICEF. The programme now operates in numerous fields covering farming methods, veterinary services, the establishment of anti-

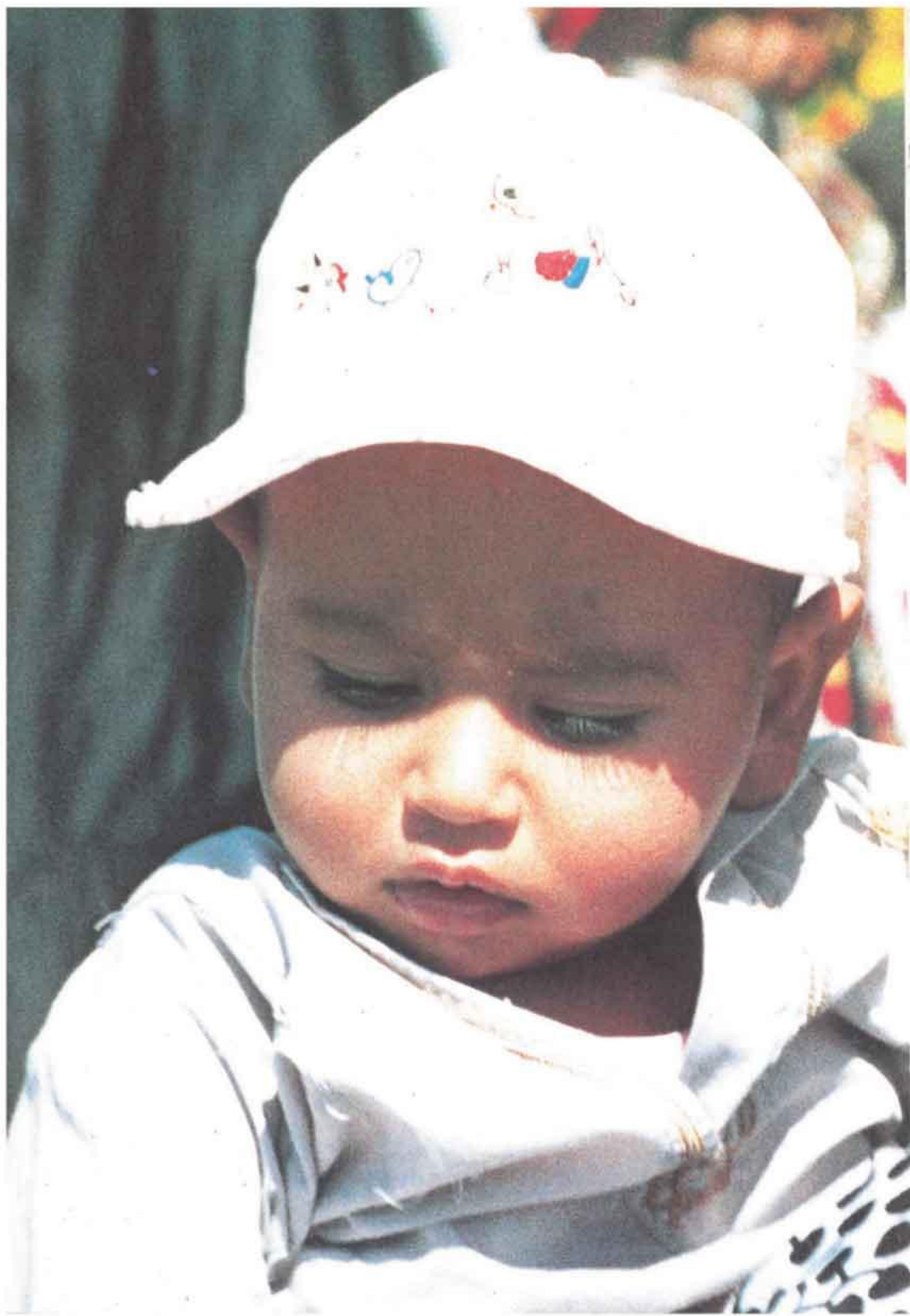
illiteracy units, anti-pollution education, and the care of the environment and homes.

His Majesty has given special instructions for the initiation of cultural programmes for the nomadic and semi-nomadic bedouin throughout the Sultanate. These cover health and hygiene, notably in providing services for inoculation and immunisation. Guidance is also given on religious and educational matters by means of films, lectures and home visits.

His Majesty has given high priority to the provision of the fullest opportunities for women since his accession. These include equal pay and career status and the establishment of the Directorate-General of Woman and Child Affairs in the Ministry of Social Affairs and Labour. The Sultanate played a leading role at the 4th Regional Conference of the Women of the Gulf and the Arabian Peninsula held in Muscat last December.

Omani women's delegations have participated effectively in a number of international women's conferences and seminars. At home, the Ministry has given strong encouragement to the establishment of Omani Women's Associations throughout the country.

Care for mothers and their children is one of the Ministry's important responsibilities (Photograph: Mohamed Mustafa) ►





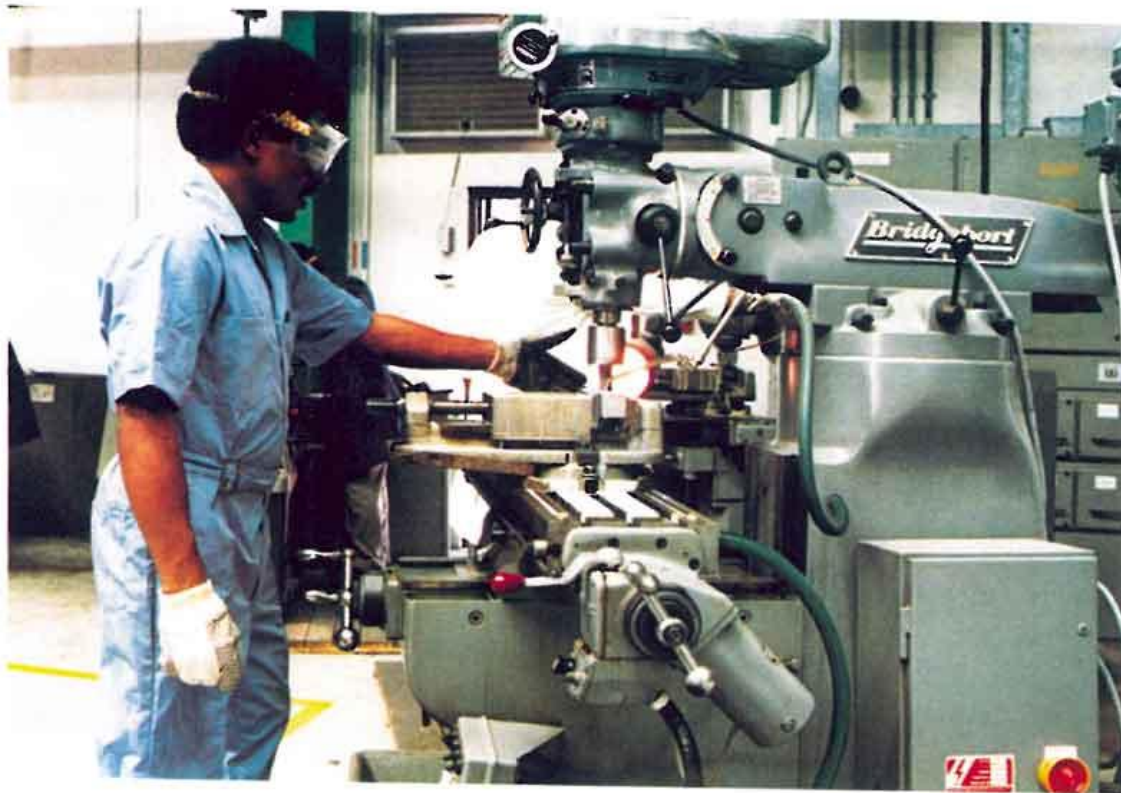
LABOUR

Unemployment used to be endemic in Oman, and many Omanis went abroad, particularly to the Gulf States, to seek employment as unskilled labour. Now the situation has been completely reversed and there is full employment for all Omanis in their own country. During his tour of the Interior in March this year, His Majesty reminded his people that there is employment for every Omani who wishes to work and called upon employers to recruit their own countrymen and women rather than expatriates from abroad.

The rapid development of Oman from 1970 onwards made it apparent at an early stage that there was a requirement to plan and organise relations between workers and employers in a way which would ensure the interests of both parties. A Labour Law was therefore devised and issued, and was finally implemented at the end of 1973. The Law preserves the principle of equality and non-discrimination between workers and includes special regulations for foreign workers. Non-Omanis may not work in the Sultanate without a permit from the Ministry of Social Affairs and Labour, and then only if they have fulfilled conditions of residence and have a skill for which there are no sufficiently qualified Omani nationals available.

The Law requires employers to engage Omanis whenever possible, and the Minister has the power to decide on the proportions of Omanis and non-Omanis employed. Details of vacancies have to be reported by employers to the Ministry, and quarterly and annual reports rendered on workers whose employment has been terminated. Employment of anyone under the age of 13 years is strictly forbidden and discriminatory treatment between men and women is not permitted. The Law provides for complete equality for women doing the same type of work as men, and an employed woman has the right to be absent from work during and after pregnancy for a maximum period of 42 days.

During the early years of development the Sultanate was heavily dependent on the skills of expatriates for lack of educated and trained Omanis. Now Omanisation of jobs is proceeding at an ever accelerating pace as qualified young Omanis become available to fill the posts in all walks of life previously filled by expatriates. With the opening of the



A technician under training at one of the Technical Training Institutes

Sultan Qaboos University in September last year, young men and women, highly trained in engineering, agriculture, science and medicine, will increasingly take up work hitherto performed by foreigners.

Overall responsibility for manpower development resides with the Education and Training Council established in 1978 under His Majesty's chairmanship. Its aims are to meet the requirements for skilled personnel by the national economy by coordinating the programmes of Ministries, state enterprises and private companies. The Ministry of Social Affairs and Labour, in parallel with the development of Primary, Preparatory and Secondary Education during the last decade, has planned and established a total of 9 Vocational Training Institutes to provide skilled training for potential craftsmen. At a higher level, the Ministry in 1979 took the initiative of planning the Oman Technical Industrial College at Al Khuwair to provide education and training for technicians. The need for technicians in the

rapidly expanding public and private sectors with an increasing dependence on complex technology has long been appreciated.

The College has been provided with well-equipped laboratories and workshops, and a highly qualified staff. A regular dialogue is maintained with employers to enable the College to adapt to the developing requirements of industry and commerce. The College can accommodate 160 students in engineering and laboratory technology subjects, and 60 students in business studies. Provision is made for experimental and practical training to support theoretical studies. The College is furnished with a library and resource centre for the production of visual aids for use in the classrooms. The various classes are programmed for a period of two years and are directed at Secondary School graduates, or the equivalent, with an appropriate attainment level in suitable subjects.

The Ministry of Education plays an important role in readying young people for their future careers through its Secondary, Commercial, Industrial and Agricultural schools, as well as intermediate colleges for teacher training. It also sponsors candidates for advanced training or studies at colleges and universities abroad.

Many of Oman's qualified health personnel are graduates of the Institute of Health Sciences. For the banking and financial sector, Omanis are being trained at the Oman Institute of Banking, run by the Central Bank of Oman. Trainees must have first completed a secondary school education.

In line with the government's labour policy, wholly or partly government-owned enterprises give high priority to manpower development. Among them are Petroleum Development Oman, Oman Oil Refinery and the Oman Mining Company.

COMMUNICATIONS

Eight kilometres of paved road connecting Muscat with the airfield at Bait Al Falaj through Muttrah was all that Oman had in 1970, which is not much in a country the size of Great Britain. For the rest of the country there were graded roads from the Capital along the Batinah Coast to Sohar was a graded road along the Batinah Coast to Sohar and to the oilfield at Fahud in the Interior. Otherwise there were only tracks to follow.

It was obvious from the start that, with Oman's difficult terrain, road communications were to be of paramount importance in the development of the country. To give some idea of the remarkable progress of road construction in the last 17 years, there are now 4,000 km of asphalt roads connecting all the main centres of population, and more than 18,000 km of graded roads. These also connect with the major road systems in the UAE. The road network is the result of some remarkable feats of engineering, including the road through the rugged mountains of Musandam to Khasab and to the top of the Jebel Akhdar plateau, as well as a 1,000 km asphalt road connecting Muscat with Salalah in the south, which traverses the virtually uninhabited deserts of southern Oman.

In recent years the road system in the Capital area has been developed to a degree whereby it compares well with the most modern road systems in the world. Three-lane highways have replaced single carriageway roads, and flyovers have relieved the traffic congestion at inter-sections in the Capital area. A 332 km dual carriageway has been extended via Sohar to the UAE border at Khatmat Malahah to connect with the UAE road system, while, in the Interior, an asphalt road now connects Nizwa via Ibri and Buraimi with the UAE road system. There are also asphalt roads between Muscat and Quriyat and the port of Sur in the south-east.

Apart from the asphalt road connecting Muscat with Salalah, the Southern Province has its own road system, now being extended to the west over particularly difficult mountainous terrain to the border with the PDRY, and to the east to Mirbat. There is also an asphalt road system into the Jebel from the coastal plain and along the mountain watershed.

In the Third Five Year Plan, emphasis is now particularly being placed on rural road communications. Construction will go ahead with two



Part of the Capital's modern road system

new roads connecting towns on the Batinah Coast through the Hajar mountains to the Interior.

The state-owned Oman National Transport Company (ONTC) runs a fleet of 241 buses and coaches which serve the Capital area and the main towns. A recent addition to the service are six luxury coaches, fitted with long distance fuel tanks, television and toilet facilities, which serve the new Muscat-Salalah route.

One of the first major projects in the development of modern Oman was the construction of the International Airport at Seeb, 35 km from Muscat, which was completed in 1974 to replace the old airfield at Bait Al Falaj with its notoriously difficult approaches for aircraft. In addition to its passenger and freight facilities — which are up to the most modern international standards — the airport also has military and police sections. A recent large-scale extension programme included improvements to the runways, airport buildings and all technical sections, allowing for a 100% increase in arrival capacity and 30%



A ship discharges containers at Port Qaboos (Photograph: Port Services Corporation)

increase in departure capacity. There are now separate departure and arrival halls and the transit passenger hall has been enlarged. Since 1982, Oman has had its own domestic airline, Oman Aviation Services, which operates throughout the Sultanate, including Musandam. Demand has increased enormously, and flights and passenger numbers had doubled by 1986. Oman also has a 25% share, with the UAE, Qatar and Bahrain, in Gulf Air which operates international services between western Europe, the Gulf, the Indian sub-continent and the Far East.

Before His Majesty's accession in 1970, Oman had no modern port facilities. All cargoes had to be offloaded by lighters in Muttrah bay. Also, among the first major projects to be given priority was the construction of a new deepwater port at Muttrah — Mina Qaboos — which was completed in 1974. However, ever-increasing volumes of



In-flight meals are prepared by Oman Aviation Services staff

freight imports required many additional developments, such as the construction of a container terminal, modern warehouses, engineering workshops and deepwater wharfage. With the advent of the Iran-Iraq War, Mina Qaboos and the oil terminal at Mina Al Fahal have assumed considerable importance in international commerce: insurance rates for tankers and cargo ships calling there are considerably lower since the ships avoid the Gulf danger zone, and consignments unloaded at Mina Qaboos can be transported by road to the other Gulf States in safety.

In the south where there is no natural protection from the monsoon winds which blow at gale force for several months in the summer, a new port with container facilities had to be constructed at Raysut, 8 km to the west of Salalah, to serve the Southern Region.

Projects under consideration in the Third Five Year Plan include the enlarging and up-grading of the port of Sur on the south east coast, which is a traditional shipbuilding port, and a feasibility study for a new port on the Batinah Coast between Muscat and Sohar.

POSTS AND TELECOMMUNICATIONS

The rate of expansion of the telecommunication and postal services in Oman during the past 17 years has been one of the fastest and most remarkable in the field of any development. In 1970 there were only a few hundred telephone lines and one post office and 650 post boxes, all confined to the Capital. By contrast, at the end of 1986 there were 46,707 working telephone lines throughout the Sultanate, of which over 35,000 were in the Capital area, and the expansion continues. At the same time, there were 70 post offices, 33 local distribution agencies which provide postal services, and 33,400 private post boxes. The internal demand for telephone and postal services has been accelerated by education and increasing literacy.

All telecommunications in the Sultanate are run by the General Telecommunications Organisation (GTO) which was formed by a Royal Decree in 1980 as a fully Government-owned entity, the eventual aim of which is to be self-financing. At present profits are ploughed back into maintenance and development. With the construction of the ultra-modern Telecommunications Centre at Bait Al Falaj and 12 other digital electronic telephone exchanges within the Capital area, the equipped capacity of telephone exchanges has increased to 78,000 lines. Another centre in Salalah raised the number of lines in the south from 6,000 to 16,000, when direct dialling between Muscat and Salalah became available. Operating and maintenance costs were reduced by the introduction of the digital switching system. In 1985 a mobile telephone service was introduced covering a large area of the Sultanate, which can be expanded to provide facilities to remote areas which cannot be served by the conventional telephone network.

Oman was the first country in the region to establish an external telecommunications link, when a telegraph cable was laid in 1877 between Muscat and Aden. However, the first modern telecommunications network was started in the early 1970's. A satellite station was set up in 1974 in Wattayah near Muscat, being replaced in 1975 by a new station at Al-Hajar; the Wattayah station was then moved to Salalah. The satellite earth station — standard A — at Al-Hajar carried Oman's international traffic worldwide while standard B at Al-Hajar



*Data Post is loaded for delivery at one of the Sultanate's modern Post Offices
(Photograph: Ministry of Posts, Telegraphs and Telephones)*

and Salalah are used for domestic traffic in addition to two other earth stations, one each at Musandam and Masirah Island. Also a new satellite earth station — Al-Hajar 2 — completed in 1985 is linked to Arabsat, whence international traffic, including television programmes, is routed to other Arab countries. The switch from Intelsat to Arabsat has now been completed.

A modern exchange with an initial capacity of 1,000 international and an equal number of local circuits was commissioned in 1986 to cater for the increased traffic.

The Third Five Year Plan provides for an expansion of 16,600 lines along the Batinah coast and in the Quriyat region, including six main exchanges at a cost of RO 15 million. A contract for expansion of telecommunication facilities in 39 towns and villages in the Interior, providing a total of 32,000 lines is nearing completion. An expansion project in the Capital area and other urban locations is planned at a cost of more than RO 3 million. A consultancy agreement has been signed

for the design and supervision of microwave and extension networks to cover twelve areas in the first phase of telecommunications development of the Third Five Year Plan. Another agreement has been signed for RO 2 million; this contract involves 26,354 telephone connections through main and sub-exchanges for Buraimi, Nizwa, Sur, Sohar, Ibra and Ibri as well as 29 villages and border points.

A master plan for the development of telecommunications up to the year 2005 is currently being finalised. Priorities on yearly budgets will be updated every five years, and then yearly. By the end of this year over 50 exchanges under construction will have been completed. The telecommunications system will then be one of the most modern in the world. Comprehensive plans are in hand to achieve the GTO's ultimate goal of making modern telecommunication services available in every remote corner of the country.

The first post office in Oman was opened in 1856, though this date is disputed in some documents which give the opening date of the official postal service as 1864. Indian postage stamps were used until 1948, when the British General Post Office was given responsibility, using British stamps with the value overprinted. In 1966, the postal services were taken over by the Government and the first set of truly Omani stamps were issued with local designs. By 1970 the postal services were still confined to the Capital; outside Muscat, letters had to be carried by travellers, who happened to be going to the required destination. From 1970 onwards new offices began to be opened in different parts of the Sultanate so that by the end of 1986 there were 70 post offices together with 33 branch agencies. An indication of the rate of increase in postal traffic is shown by the figures of 3,717,000 outgoing letters and 3,945,000 incoming letters in 1971 compared with 13,481,220 outgoing letters and 18,583,800 incoming letters in 1986.

The development of the postal service has continued with the purchase of a fleet of vehicles for deliveries between the provinces and the Capital with a view to providing the most rapid means possible for this essential service. Mobile post offices have also been set up in heavily populated areas. An express mail service, known as Datapost service in the Sultanate, and manned by specially trained staff, has been introduced for fast reliable postal handling. At first it was limited to the Capital area, but it was extended to Salalah last year. The International Express Mail Service, first started in the world in 1970, was introduced



*Telephone operators handling international calls at the Telephone Exchange
(Photograph: Ministry of Posts, Telegraphs and Telephones)*

in the Sultanate in 1985; commencing with the GCC countries, it has since been extended internationally and is now available to 42 countries.

A home delivery service is available for Datapost items, but house-to-house service for ordinary mail is not yet possible largely due to the naming and numbering of streets not yet having been completed. However, there is an efficient system of delivery through private post boxes which are widely available throughout the country.

Emphasis in the Third Five Year Plan is on extending the postal services to all parts of the Sultanate, and is receiving high priority from the Ministry. More post offices and sub-post offices are planned for the Capital area. In the Interior, postal services are to be enlarged at the existing post offices at Ibri, Sohar and Sur, and new post offices are to be opened in 18 villages; five of these have already been completed. In the southern region, the Salalah Central Post Office is to be enlarged,

three other post offices are to be extended and three new sub-post offices are to be built. Further extensions to the postal services are to be made in Musandam under the Third Five Year Plan. The development of monitoring stations, and the construction of a new monitoring station in the southern region are also planned.

The Sultanate's postal history is told in a book, published in colour by the Ministry. The book, 'The Postal History of Oman, 1856-1985' features reproductions of almost every stamp that was issued in the Sultanate during that period, and is providing a popular addition to philatelists' libraries.

EDUCATION

The past year has seen the realisation of the crowning achievement of education development in Oman with the opening of the Sultan Qaboos University in September 1986.

His Majesty has given high priority to education and health in the successive Development Plans since his accession in July 1970. The task to be undertaken was awe-inspiring. From an original basis of three boys' schools with less than 1,000 students, a whole education system for boys and girls had to be constructed. There was a total lack of school buildings, teachers and experience. Many of the first schools were in tents, with classes working in shifts, while teachers had to be recruited in Egypt, Sudan and Jordan. Textbooks had to be composed and published, curricula worked out and examination standards set. To quote just one example, no text book existed on the history of Oman, only books on English history were available for examination purposes. At the same time there was a great demand for adult education. As education developed, it was not unknown for fathers and sons to be studying in the same class. The progress of education in Oman under the continuing inspiration and guidance of H.M. Sultan Qaboos during the last 17 years has by any standards been remarkable.

The aims of education are based on the principle of its being a universal right for all members of Omani society: the development of each individual's abilities, the provision of the necessary manpower for all sectors, the enlightenment of each Omani as to his rights, duties and obligations to his country and the world at large and his ability to use his leisure time to the best advantage. Islamic education plays an important role at all levels.

In the early years of educational development, before and during the First Five Year Plan, emphasis was on the construction of primary schools, the entry age for which was from six to eight years. Education was not compulsory, but strongly encouraged by the government. In fact so great was the demand that there was no need for compulsion.

On successful completion of the primary grade and passing the examination of the sixth primary grade the student progresses to the preparatory school, a comparatively new level in the Sultanate's educational infrastructure. This is generally between the ages of twelve

and fourteen years. Students passing the General Preparatory Certificate examination are admitted to the first grade of secondary schools between the ages of fifteen and seventeen years. Here they are distributed among the various types of secondary education, depending on the results of their preparatory examination. After one year of general secondary education it branches into the two paths of the literary (humanities) and the scientific.

As the requirement for primary school construction proceeded, so the programme for preparatory schools was started, followed by that for secondary schools. Historically, the actual birth of secondary education within the Sultanate's educational infrastructure started during the academic year 1973/74 with an enrolment of 25 students. No earlier opportunity existed for classes at this level, since the preparatory level — which feeds secondary education — was in the process of completing its development. In 1986 there were 326 primary schools, 221 preparatory schools and 57 secondary schools in the country, with a total of 128,534 male students and 93,160 female students. In addition to the State schools there were 34 private schools, of which 19 were for foreign communities, with a total of 7,576 students. By 1987 there was a total of 668 schools and 247,546 students.

Oman has benefited from the mistakes made by other countries where those educational qualifications and degrees awarded have often borne no relation to the country's development and economic needs, rendering the ex-student unemployable. The Sultanate has sought to guard against this by planning educational development within the framework of the comprehensive national development plans. The method that has been adopted from the inception of the First Development Plan has been to diversify education in order that it may play its role in the development projects. In pursuance of this policy the Secondary Islamic Institute was established in the 1972/73 academic year, where the regular academic educational curricula are taught with emphasis on Islamic education and the Arabic language.

In the 1976/77 academic year, two institutes for teacher training for males and females were established. There are now four teacher training colleges in the Sultanate — one each for male and female teachers in northern Oman, and one each for male and female teachers in Salalah in the south. In the academic year 1979/80 a Primary Diploma for male and female teachers was introduced. An Agricultural

Secondary Institute was opened in the 1979/80 academic year for holders of the preparatory certificate. Here, academic and agricultural subjects are taught in combination, with the aim of preparing a core group of technical staff to spearhead agricultural development in the Sultanate. Also, in the same year, a class for commercial studies was begun, which soon developed into a Commercial Secondary School where courses last for a period of three years. A preparatory school in the Sohar copper mining area has become a fully-fledged Industrial School.

It is evident from the statistics that girls now have equal opportunities in the educational system, where no provision existed for them before 1970. The increase in the number of girls attending schools is a fair indication of changing social attitudes and the increasing interest being shown by Omani parents in the education of their daughters.

For obvious reasons illiteracy was rife in Oman in the past, and education is no less sought after by adults. To meet these needs the Government has set up literacy and Adult Education Centres at two levels. The first is for the eradication of illiteracy, where courses last for two years. The second level, conducted at Adult Education Centres, caters for students who have reached fifth grade equivalent in their studies. Education continues in these Centres through the secondary level, at the end of which the applicable certificates are issued.

Schools for the deaf and other handicapped children have been established in the Capital and elsewhere in the Sultanate.

It was in his National Day address to the nation on 18th November 1980 that His Majesty announced his decision to establish the Sultan Qaboos University with the direction that the University should start with colleges of Science, Medicine, Engineering, Agriculture, and Education and Islamic Sciences.

For ten years, Oman has been passing through a period of rapid development. For the first time, a new generation was growing up with the benefit of a modern education from the age of six years. The time was ripe for provision to be made to equip this generation for undertaking the further development of the Sultanate, and replacing expatriates, who perforce were needed to undertake this task for lack of suitably trained Omanis.

The fundamental objective of the University is not only academic and



The chemistry laboratory at the Sultan Qaboos University

professional achievements, important as they are, but has equal emphasis on intellectual discipline and development of positive qualities of character with a view to turning out graduates with a sense of propriety, responsibility and integrity in the spirit of the Islamic way of life.

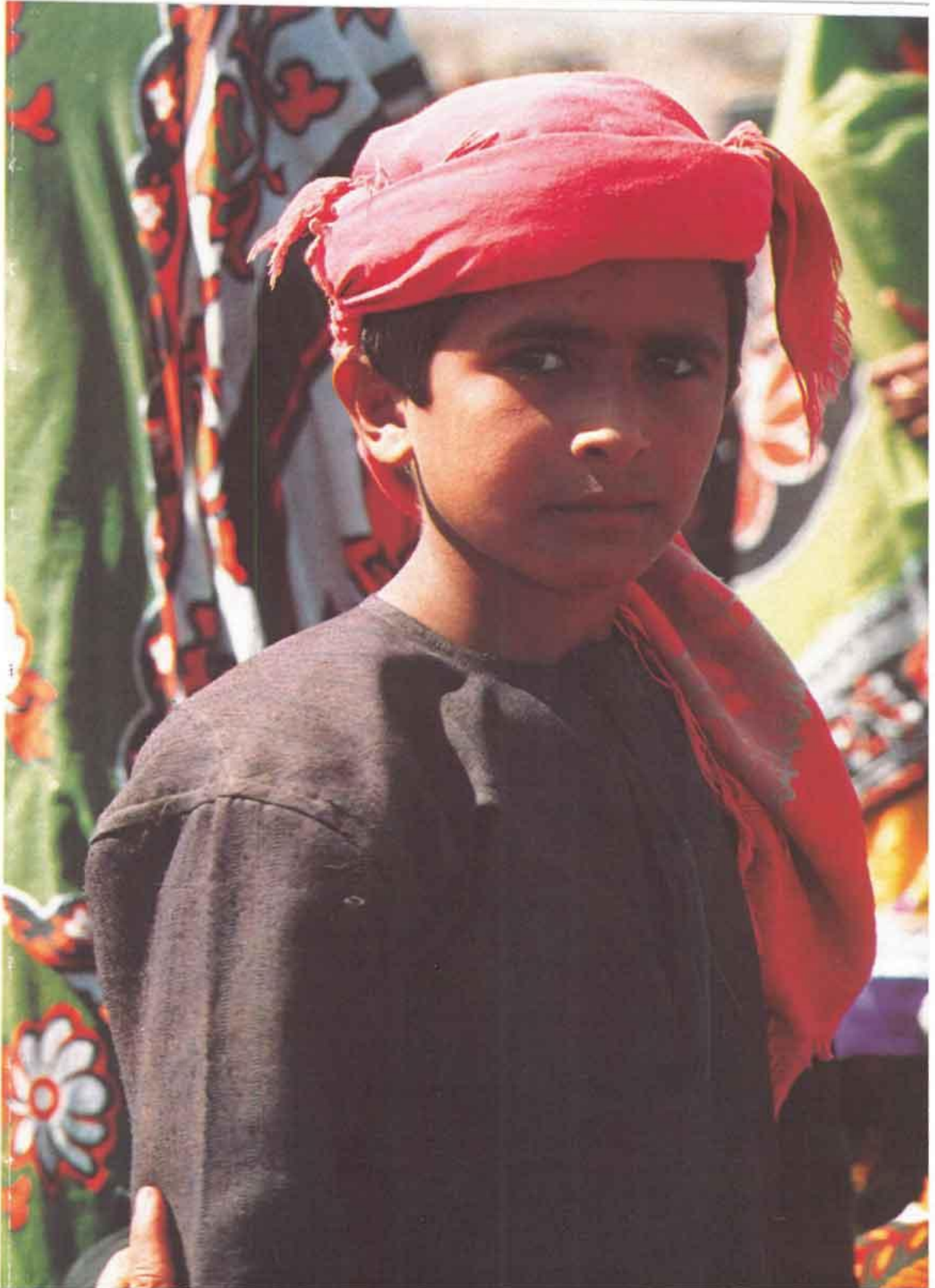
Although the initial intake when opened in September 1986 was about 600, it is planned to have a maximum intake of 3,000 students in its five colleges. Students who have completed their specialist secondary education will be admitted to the colleges of their particular specialisation. Standards are strict: only students of the required calibre are accepted, their admission being mainly the responsibility of the colleges, though the final decision is eventually made by the University academic board.

The University year is divided into terms: from September to early

January, and from late January to the end of May, with a summer term for students who wish to take advantage of it. In the first three terms, all students undergo a Foundation Course to improve their standard of English, consolidate their science teaching and cover the University requirements in Arabic, history of Oman and Islamic civilisation. Following this, students continue with their particular specialisations.

The Support Centres of the University include the Computer Centre, the Library which contains books, periodicals and advanced technology information systems; a Language Centre; a Teaching Hospital, and a Centre for Education Technology. Residential accommodation is provided in the form of small communities instead of hostels, each accommodating about 150 students drawn from all the colleges with a supervisor acting as counsellor in social, religious and moral matters. Non-resident students are made members of the communities. Men and women are segregated for much of academic and university life, with residential communities on opposite sides of the University complex, and separate sports facilities.

A young schoolboy (Photograph: Mohamed Mustafa) ►



YOUTH

His Majesty has firmly directed that the greatest attention be paid to fitting Omani youth for its future responsibilities. Thus, in addition to providing free formal education, the Ministry of Education and Youth vigorously promotes cultural, social and sporting activities among young people through a network of youth clubs and youth centres.

In his speech on National Day last November His Majesty stressed the importance of the role youth must play in the life of the country, and called upon them to set a good example by cultivating a responsible sense of duty and in seeking perfection in their work. His Majesty reminded them that it was essential that Oman reduce its dependence on foreign labour and that the people — and especially the young — fit themselves to replace expatriates in all fields.

During the Third Five Year Plan 1986-1990 the Ministry of Education and Youth plans to build youth centres in the major regions. Work on the Sohar Youth Centre has commenced, and construction of another in Salalah will begin shortly. Each of these centres will have a mini sports complex which will consist of a sports hall and various playing fields which will cater for the needs of the regions.

The Sultanate participates in international competitions including athletics, football, shooting, etc., and for the first time won a gold medal in the first round of the G.C.C. Athletics Competition (for young people under 20 years of age) held in Bahrain between 18-20 March 1987.

To enable the office of the Under-Secretary for Youth Affairs to function effectively and in order to provide a broad spectrum of youth activities, the organisational chart of the office has been extended to include the Directorate of Cultural and Social Activities, the Directorate of Sports, as well as the establishment of Departments of Youth Affairs in the regions.

The Departments of Youth Affairs in the regions will assist greatly in seeing to the requirements and welfare of youth in each region.

Sporting activities are seen to play a major role in character-building among the youth of the country, and in order to promote these activities His Majesty presented the nation's youth with an Olympic-sized sports complex in 1985 at Bausher near Muscat, covering 44



An Omani athlete, Mohamed Al Malki, winning a gold medal at the Asian Track and Field Championship in Singapore (Photograph: Oman Olympic committee)

hectares of land. Its main features are a stadium with a seating capacity for 35,000 spectators and a large hall with facilities for more than 23 games. On National Day in November 1985, the massed youth of Oman performed a particularly spectacular display of colour and movement in the stadium.

In 1982 the Ministry's Directorate General for Youth Affairs was given responsibility for the supervision of sports activities in Oman by the Higher Council for the Care of Youth, which was set up in the same year under His Majesty's chairmanship. Included in this responsibility are the Olympic Committee, sports federations and sports clubs.

There are now some 51 sports clubs in the Sultanate, which organise athletic activities and competitions for young men and women, and these receive financial aid, equipment, clothing and other facilities from the State. The most popular sports are soccer, volleyball, basketball, swimming, hockey and athletics.

"Coincidentally with National Day in November 1983, invitations were issued for the attendance of youth delegations from 45 countries. The

delegations, bearing their National flags, took part in a mass parade at the Stadium, and gave performances of their National culture.”

The National Organisation for Scouts and Girl Guides was established by Royal Decree in 1975, with the aim of inculcating the young with a sense of service and developing their self-reliance, obedience and public spirit. To this end the Scouts and Guides of Oman organise annual camps, which started in 1976. They are held in all parts of the country and have been very successful in promoting care of the environment, initiative training, mutual cooperation and leadership. The young people are also encouraged to participate in projects which aid society. One of the best of these activities is the organisation of an annual course for the handicapped under the auspices of the Omani National Committee for the Care of the Handicapped. This is part of the State effort to train the handicapped in carrying out work which gives them a secure and dignified life, and helps them to make a positive contribution to society. These courses have been so successful that handicapped people from other member-States of the Gulf Cooperation Council are joining them.

Representatives from the National Organisation for Scouts and Guides played a prominent part in the voyage of the three-masted barquentine ‘Shabab Oman’ on her goodwill visit to the United States. Sailing from Muscat on 22 March last year she reached New York via the Suez Canal and the Mediterranean to join the tall-masted ships assembled there for the Statue of Liberty Centennial Celebrations, after a voyage of 102 days. The return voyage to Muscat was completed on 14 October 1986.

In August last year 2,500 scouts from 17 countries participated in the 17th Arab Scout Jamboree at Salalah. The 12-day camp was the first Jamboree to be held in a Gulf State. In the previous month Oman participated in the Arab Scout Congress held in Sana’a in the Yemen Arab Republic, and an Omani Youth Delegation went to Japan to attend the International Youth Festival which was held from 23 July to 7 August.

Oman is to be represented at an International Scouts’ Jamboree to be held in Sydney, Australia this year. The 18th Arab Scout Jamboree will be held in Morocco in 1988, in which the Sultanate will also participate.

HEALTH

The high mortality rate due to illness, particularly among children, and the almost total lack of medical facilities in Oman before 1970, explains why preventive health has always rated high in the list of priorities in successive Development Plans. Trachoma, dysentery, tuberculosis and malaria were endemic largely due to the lack of health education and facilities, and epidemics of measles often wiped out large number of children especially in the rural areas. When spending cuts due to the fall in oil revenues became necessary in 1986, His Majesty directed that the health and education sectors were to be the least affected.

The development of the health services has come a long way in the last 17 years; in 1970 there was only one small hospital in Muttrah and a few clinics in the remainder of the country. By the end of 1986 there were 45 hospitals, 76 health centres, 3 maternity centres, and 73 other centres and units with a total of 2411 beds. During the past year, the major new Royal Hospital has been completed at Chubrah in the Capital area, and is due to be officially opened in November. It has the most modern facilities for open-heart and orthopaedic surgery, treatment of kidney disease, as well as general medical wards, maternity and children's wards. The hospital will also assist in the training of medical students of the Sultan Qaboos University. A fine new military hospital has recently been built near Seeb and the University hospital at the recently opened Sultan Qaboos University is due to be completed next year.

In the early stages of development of the medical services all doctors and nurses had to be recruited from abroad. In 1970 there was only one trained Omani doctor. With the opening of the University in September 1986 and its medical college, Oman will in a few years time be producing its own doctors.

The first Omani nursing school was opened in 1971, but this role was taken over by the Institute of Health Sciences in Wattayah when it was opened in 1982. The Institute also trains Sanitary Assistants and other para-medical staff, as well as running courses in Physiotherapy, Laboratory and Radiology. The Ibn Sina Hospital, opened in 1983 with 60 beds, specialises in psychiatric Medicine, while the Al Nahdha Hospital is equipped with a kidney dialysis unit and a unit for internal



A remedial physiotherapist at one of the Capital's hospitals

medicine, Paediatrics, Ophthalmology and E.N.T in addition to a well equipped Dental Unit. Khoula Hospital with 370 beds specialises in the treatment of burns and fractures and the fitting of artificial limbs. It has 89 Surgical Beds, 137 beds for obstetrics and gynaecology, 110 orthopaedic beds and 8 burns beds.

21 health centres have recently been upgraded to hospitals, with the provision of more beds and medical staff. Many Government dispen-



A new-born baby in intensive care

saries mostly in the rural areas, have been upgraded to health centres. Since 1980 the number of medical staff has been greatly increased, from 294 to 674 doctors and from 857 to 2057 nurses by the end of last year.

Under the Third Five Year Plan the Government intends to press on with the extension of the health services to the more remote communities in the interior, with the establishment of more Health Centres. In the meantime, mobile medical units visit outlying areas; Oman has considerable experience in this field since flying doctor services were first employed to towns and villages devastated by the war in Dhofar which ended in 1975, as well as to isolated communities on the Jebel before the construction of roads.

The Government attaches great importance to preventive medicine and health education throughout the Sultanate, in its campaign to eliminate diseases that were endemic before His Majesty's accession. Vaccination against disease has made great progress in recent years;

the latest statistics show that 81% of the population have now been vaccinated against measles, tuberculosis, poliomyelitis and diphtheria, with the result that some of these diseases have been virtually eradicated. The Ministry of Health's health education campaign is supported by special programmes on radio and television. The Ministry maintains teams of health educators who tour small towns and villages to encourage parents to have their children vaccinated against tetanus, diphtheria and whooping cough. Mothers are advised on the need for safe drinking water, nutritious diets for children, the proper disposal of refuse and personal hygiene. In the fight against malaria, the Capital area has now been declared malaria free.

Close co-operation has been established with the World Health Organisation, whose experts and consultants are welcomed in the country to study health developments and to make recommendations. Eminent foreign consultants are invited to visit the Sultanate's hospitals, to confer with Omani Doctors and assist in the treatment of patients.

HOUSING

Oman has benefited from the problems which have been encountered by other fast-developing states, and avoided the pitfalls to which they have fallen victim during a period of rapid expansion, not least in the spheres of town planning and housing. No high-rise concrete blocks scar the skyline, no architectural jungles are to be seen and no urban sprawls or shanty towns — and money has not been wasted on 'white elephant' prestige projects.

From the outset the authorities imposed strict controls on housing development throughout the Sultanate. Careful town planning required a vision of the future, close co-operation between Ministries and departments concerned and architectural control. Oman has a fine architectural tradition and many splendid examples of this are to be seen among the older buildings which are preserved in Muscat and other towns. His Majesty directed at an early stage that all new housing should conform to traditional architecture in modern terms.

Considerable pressures soon arose in the Capital area during the first burst of rapid development; simultaneously, there was an urgent need to improve the standards of existing housing in the area, and at the same time there was a considerable migration from the countryside of those seeking employment with higher wages on the major development projects in the Capital area. Added to this were the many Omanis who flocked back from abroad in response to His Majesty's call to them to return to assist in the development of their country. Also, the population increase due to greatly improved health services had to be anticipated. All these factors created an urgent necessity for new housing.

The first housing project was implemented in 1973 when a pilot scheme of 76 houses was completed. This was rapidly expanded, and in 1974 more than 2,000 houses were built. By the end of the Second Five Year Plan in 1985 an additional 4,000 houses were completed. The People's Housing Law of 1977 laid down principles of equity in the building and distribution of housing with provisions for the repayment of loans by instalments over a period of twenty years.

The government has placed great emphasis on the provision of housing for families with limited incomes. By the end of 1980 nearly 1,000

two-bedroom houses and 1,200 one-bedroom houses had been completed, about half of them in the Capital area, at a total cost of RO15 million. During the Second Five Year Plan (1981-5) a further 2,024 houses were built at a total cost of RO48.5 million.

In the Capital area there is a comprehensive plan to build six new townships. Work has already started on Qurm Beach township; the others are to be established in Ghubrah, Azaiba, Al Khuwair, Airport Heights and Al Amrat. They will include industrial and commercial construction in addition to housing units, and will be provided with electricity and water, mosques, clinics and schools as well as post and telegraph offices and parking lots.

It is government policy to stem the drift to the cities from the land by encouraging the inhabitants to remain in the small towns and villages. Thus, in the Third Five Year Plan, priority is being given to housing plans for the interior regions of the country. The drastic fall in the world price of oil in early 1986 necessarily demanded a review of the economic prospects of the Sultanate, and the Third Five Year Plan. However, in his National Day address last November, His Majesty made it clear that housing would continue to receive high priority, declaring 'In our economic and social development plans we shall continue to ensure that first priority is given to the needs of our people of the different regions', an intention which has been reiterated during his tour of the Interior in the spring of this year.

The Directorate-General of Land Affairs at the Ministry of Housing comprises three departments as follows:

- a) The Capital's Land Department. This includes various sections dealing with: government land, housing land, commercial and industrial land, registration and allocation.
- b) Follow-up Department in the Wilayats — one section follows up the distribution of land in the Wilayats, and there is another section dealing with lands in the Quryat area.
- c) Agricultural Land. This Department has follow-up and co-ordination sections, and a section dealing with the procedures for holding the land.

Close attention is given to the fulfilment of local demands for new housing, commercial and industrial sites. This is done through 27 co-ordination plans through which the necessary allocations are made.



A Government-sponsored housing estate (Photograph: Ministry of Housing)

Dhofar is dealt with separately by its local administration. The local committees for land affairs in the provinces give their advice on the distribution of lands to the public and consider any disputes either between citizens or between them and the government.

The Ministry of Housing recognises that it is important that communities should not be broken up by moving people to new housing sites. In 1987, therefore, emphasis is being given to the restoration of old houses and their internal modernisation. RO24 million was spent over the period of the Second Five Year Plan.

In 1977, the government established the Oman Housing Bank for the purpose of making long-term loans to people who wished to build their own houses. In 1985, several major changes were introduced to increase the scope of its services. The maximum loan ceiling was increased from RO25,000 to RO35,000 and loans are now available for the extension of existing houses and the completion and/or purchase of partly constructed houses. The maximum repayment period was raised

from 15 years to 20 years for those on limited incomes. Following these changes, the number of loans increased sharply by 21% in 1985 over 1984.

The Oman Housing Bank has contributed effectively towards boosting the construction movement in the Sultanate. It has granted (since its establishment in 1977 to the end of 1986), 9,978 loans at a total cost of RO133,082,388. These were provided to citizens throughout the Sultanate via various branches of the bank — there was one branch in 1977 and seven at the end of 1986.

MUSANDAM

The Musandam Peninsula, which commands the strategic Strait of Hormuz, is Oman's northernmost region. A wildly beautiful country of harsh, rugged mountains with a fjord-indented coastline, the Musandam Peninsula is separated from the remainder of the Sultanate by a 70km stretch of territory belonging to the United Arab Emirates. Totally lacking in modern facilities by virtue of its isolation, the Musandam was long undeveloped until 1976 when the Musandam Development Committee (MDC) was set up; but it was a Royal Decree promulgated in 1979 giving the Committee executive powers for direct planning and project execution which really galvanised development in the 15,000 km.sq. territory. Also included within the authority of the MDC is the enclave of Mudha to the south of Musandam, which has the only falaj within this area.

Fishing has been the traditional occupation of the great majority of the estimated 13,000 inhabitants of Musandam, and forms the basis of the local economy, fish being the staple diet. Rich fishing grounds lie off the coasts of the peninsula. Large stocks of demersal fish exist in these waters and provide highly productive fishing throughout the year, augmented by pelagic fish on their migrations through the waters adjacent to the Sultanate. A ready market is found in the nearby towns and cities of the UAE, whose coastal waters are not so abundantly provided, as well as the other Gulf States. It is a market which demands high quality fish, and that of Musandam origin is highly regarded.

It is estimated that the total annual production of fish in Musandam waters is in excess of 11,000 metric tonnes. A cold store at Khasab, operated under lease by a commercial company, purchases fish and provides a ready market and focal point for the local fishermen. Fisheries Extension Centres have been completed at Khasab and Bayah, where fishermen can obtain subsidised boat and engine repair facilities as well as nets and other equipment. In addition to ice plants at Khasab and Bayah, others are planned for Kumzar and Limah. The MDC also collects fisheries data for Musandam.

Seaports have been constructed at Khasab and Bayah to serve local fishermen, supply dhows and water vessels with fuel and fresh water facilities.



A flood control dam at Musandam (Photograph: J.K. Vincent, Jr)

Water supply and distribution have posed major problems in Musandam. The MDC's water exploration plans were completed in the Second Five Year Plan. From these it was learnt that there were adequate reserves of water to meet the needs of the community for the foreseeable future. In Khasab and Bayah a piped water supply is available. In other villages, wells have been sunk for fresh water supplies. However, a difficulty lies in the supply of water to isolated coastal villages with no well water of their own. This is being overcome by three tanker ships, one of which is fitted with a desalination unit. Limah has a demineraliser plant and Kumzar and Shaisha have desalination units. Paradoxically, occasional flash floods have caused extreme damage in the past, particularly in Khasab. Flood control dams, with a secondary objective of aquifer recharge, have been constructed in Wadi Khasab, Wadi Mawa and Wadi Sharjah.

Electricity is generated by power stations at Khasab, Bayah, Kumzar and the Mudha enclave, and is thence supplied to eight other centres



The grandeur of the Musandam coastline has attracted photographers from all over the world (Photograph: J.K. Vincent, Jr)

of population. Under the Third Five Year Plan it is intended that electricity supply shall be extended to nine other villages, so that, on completion, all villages with a population of over 100 inhabitants will be included in the grid.

A microwave link from Khasab to Khatmat Malahah on the UAE border enables telecommunication signals from the Capital area to be received in Musandam via a land link. Oman TV and FM radio re-broadcasts are part of this network. A new exchange was installed in 1986 with a capacity of 1,000 lines. Post Offices are in operation in Khasab, Bayah and Mudha, with a new Post Office in Khasab due for completion this year. Collection services exist for the villages.

Formal town planning operates in the four main centres of population. The MDC has completed structural and development plans and commercial and residential subdivision layout plans. Each planned subdivision plot has access to electricity, mains water, telephone,



Development is being pressed forward in the Musandam: a recently-constructed road through the mountains (Photograph: J.K. Vincent, Jr)

refuse collection and the local sewage system. The 15-room Khasab Hotel, constructed in 1980, has been expanded to provide suitable lounge facilities and a swimming pool. Bank branches have been established in Khasab, Bayah, Bukha and Mudha. There is a youth centre in Khasab with full facilities, including football, basketball and volleyball pitches as well as a swimming pool. Children's playgrounds and beach recreation facilities have been provided in the villages. Schools, hospitals and clinics are now located throughout Musandam on the same basis as in the remainder of the Sultanate.

ENVIRONMENT

From the time of his accession in 1970, His Majesty the Sultan has given high priority to the need to protect the environment and the sometimes fragile ecology.

Environment policy in Oman is best summarised by a statement made by His Majesty in 1977 in a foreword to a publication on the subject. His Majesty said "Development is a necessary process, especially in our country, but the impact of development must be skilfully directed so that our woodlands are not destroyed, our soils are not eroded and our valuable species of plants and animals are not prevented from playing their vital role in maintaining the environment, given to us by God, in which we live."

The Ministry of the Environment and Water Resources established comparatively recently in 1984, was the logical outcome of various councils and other bodies set up over the previous 14 years to deal with the different aspects of the environment. The Ministry has a vast range of responsibilities from coastal protection against pollution and the preservation of fisheries and rare maritime species, to the protection of flora and fauna in the Sultanate, water conservation, action against industrial pollution on land, and the coordination of the work of the various councils and advisory bodies concerned with the environment. The Ministry works in close liaison with other Ministries, such as Agriculture and Fisheries, Electricity and Water, Commerce and Industry, Petroleum and Minerals, Education and Youth Affairs, National Heritage and Culture, and Information. The Minister is the Deputy Chairman of the Council for Conservation of the Environment and Water Resources, of which His Majesty is the Chairman.

The danger of pollution, particularly in the seas offshore, as well as on land and in the air, was an aspect of the environmental protection dealt with by one of the first Royal Decrees issued by His Majesty. Subsequently, His Majesty established, under his own chairmanship, the Council for Conservation of the Environment and Prevention of Pollution, which was given the authority for issuing permits, regulations and guidelines for exercising control over all activities which might be harmful to the environment. This has been found to work very satisfactorily during subsequent years.



A technician measures ground water in Salalah

The Ministry of Environment and Water Resources has the overall responsibility for ensuring that the exploitation of water resources of Oman is carefully monitored so as to maintain a balance between availability and consumption. The subject of water resources is dealt with in more detail in the chapter on Water. Entrepreneurs wishing to establish industrial, agricultural and other projects must first obtain a "No Environmental Objection" certificate from the Ministry, after the Ministry has decided that it will have no detrimental effect on the environment. Marine and land discharges of waste are already monitored by the Ministry. Contingency planning for action in the event of nuclear threat is also one of the responsibilities of the Ministry, and a high-level Committee has been formed for the purpose of protecting the country from nuclear radiation. The Committee is formed of senior officials from the Ministries concerned and is expected to produce a comprehensive plan in the near future.



Dust control equipment operating at the Sohar Copper Mines. These air pollution control units are employed at industrial sites to avoid the danger of dust pollution of the atmosphere. (Photograph: Ministry of Environment and Water Resources)

Preservation of the flora and fauna of the Sultanate is an important facet of environmental protection. All the rarer breeds of wild animals are now protected, and areas where they exist in any numbers have been made into nature reserves. The greatest success has been the reintroduction of the Arabian Oryx. Another protected species is the Arabian Tahr, now only found in the Sultanate, of which 2,000-3,000 remain. Masirah Island in south-east Oman, is now a sanctuary for the loggerhead turtles, which breed there, as well as some 200 species of birds.

The most recent example of international cooperation in the field of environmental study in the Sultanate has been the Wahiba Sands Project, jointly conducted by the Government of Oman and the Royal Geographical Society of London. Fieldwork was carried out by a team of 35 scientists in this isolated sand desert which is a unique example of



Oman's waters are rich in exotic fish: pollution prevention and control is an important aspect of the Ministry's operations

a sand sea ecosystem of extremely ancient origin in south-east Oman, between December 1985 and April 1986. A preliminary report based on the findings of the team was handed to the Government in April 1986, and a year later the project was wound up with a symposium held at the Sultan Qaboos University attended by H.R.H. Prince Michael of Kent. The project undoubtedly owed its success to the partnership between Science, Commerce and the Armed Services, all of whom cooperated closely in its conduct.

NATIONAL HERITAGE AND CULTURE

Shortly after his accession in 1970 His Majesty the Sultan directed that Oman's history should be researched and recorded by the establishment of a Ministry of National Heritage and Culture. There must be few, if any, other countries in the world that have a Ministry devoted solely to this task. Omanis are rightly proud of their country's long and illustrious history and no generation of our people has had greater opportunity or encouragement to study this history and their cultural past than the present one.

The distant past of Oman merges with legend, but records exist which indicate that as far back as 2,000 BC it had a thriving overseas trade; copper was being mined in the north, in Wadi Jizzi, near Sohar, and was being exported by sea through Sohar's then flourishing port to the Sumerian empire centred on present-day Iraq. The 'Magan' referred to in ancient Sumerian tablets was almost certainly Oman. Copper is now being mined in exactly the same locality where the ancient excavations can still be seen.

By the tenth century BC, the export of frankincense from Dhofar in southern Oman, by well-established trade routes, north, east and west, was a highly lucrative enterprise. The visit of the Queen of Sheba to Solomon is well known to have been principally connected with the export of frankincense via the Yemen to Palestine and beyond. The remains of the ancient frankincense cities of Sumhuram and Al Balid in Dhofar are visible evidence of this once-flourishing trade. Nowadays, frankincense still contributes to Oman's economy, forming as it does the base for the internationally acclaimed scent, Amouage.

It is probable that the Arabs originally entered Oman in two waves, largely from the region of the Marib dam in what is now the Yemen Arab Republic, after the first century AD, when the famous dam started to disintegrate and the hitherto well-irrigated land of that region could no longer be cultivated, thus forcing emigration from the area. A second wave followed later.

Islam was adopted by the Omani people at a very early stage in the seventh century AD during the lifetime of the Prophet. The Persians

had occupied parts of Oman at several periods during the early years of Omani history, from the time of the empire of Cyrus the Great in the fourth century BC. They were present in some regions of Oman at the time that Islam was adopted, and it was the refusal of the Persian ruler to embrace Islam that led to the expulsion of the Persians from the country by the Omanis. Although disputed in some quarters, it is likely that the falaj system, known as qanats in Iran, was introduced into Oman by the Persians during the time of their occupation.

Oman has a great maritime history and, from the seventh to the fifteenth centuries, its sea-borne trade flourished. Omani ships sailed to Persia, India and south-east Asia. In the eighth century the famous Omani seaman, Abu Ubaida bin Abdullah Al Qasim, made the 7,000 km voyage from Oman to Canton in China, which was commemorated by the recent voyage of the 'Sohar', a dhow entirely constructed from traditional materials, to Canton.

In 1507 AD the Portuguese seized and sacked Muscat and within a year had occupied the Batinah Coast. They were only interested in Oman from a strategic aspect and never attempted to penetrate inland against the formidable Omani opposition. In 1650 Sultan bin Saif Al Yarubi reconquered Muscat and drove the Portuguese out of Oman. He then pursued them with a powerful fleet across the Indian Ocean and ejected them from East Africa north of Mozambique. The period between 1807 and 1856 saw the zenith of the Omani Empire under the rule of Sayyid Said bin Sultan, Said the Great, who did so much to develop Oman's East African possessions. He introduced the clove to Zanzibar, upon which the economy of that island has been based ever since. In 1840 he sent an envoy to the United States in the 'Sultanah', an Oman-built dhow, thus being the first Arab ruler to establish diplomatic relations with that country. An emissary was also sent to London to exchange gifts with Queen Victoria, and agreements and conventions were concluded with France and Holland.

On the death of Sayyid Said bin Sultan in 1856, the succession fell between two of his sons: Sayyid Majid and Sayyid Thuwaini. The matter was finally referred to Lord Canning, British Viceroy of India, for arbitration, and Sayyid Majid became Ruler of Zanzibar and the East African possessions, and Sayyid Thuwaini Ruler of Muscat and Oman.

With the advent of the steamship, Muscat ceased to be an important



The Natural History Museum, Muscat (Photograph: Mohammed Al Wadhahy)

haven for shipping, and Oman sank into a century of decline and isolation. It was not until 1964, when oil was discovered in commercial quantities in the Interior, that the future economic outlook for Oman became more promising, and it was the accession of His Majesty Sultan Qaboos in July 1970 that brought a revival of Oman's fortunes.

The Ministry of National Heritage and Culture was established in 1976 with the task of strengthening the nation's knowledge of its great cultural heritage and history. The results obtained by the Ministry during the past decade in this respect have been impressive. Considerable effort has been concentrated on the examination of

archaeological sites, of which there are a profusion throughout the Sultanate. To assist in this work the Ministry has invited a number of specialist missions from abroad to excavate and clear the sites, the accounts of which are published in Arabic and English in the "Journal of Oman Studies." Important discoveries dating back to the Stone Age have been made in Ras Al Hamrah, near the capital, in the southern province of Dhofar, and the Musandam Peninsula in the north. Arrow heads in large numbers and other artefacts many thousands of years old have been found in the deserts bordering the Rub' Al Khali or Empty Quarter, indicating that at one time Oman had a much more temperate climate than it has now.

The successful restoration of historic citadels, forts and ancient buildings — a work which is continuing — has been a considerable undertaking which ranks among the Ministry's most impressive achievements. A notable example has been the castle of Jabrin, originally built by Bilarub bin Sultan in the 17th century as a residential palace, and one of the treasures of Omani architecture, which has recently been completely restored. Restoration work has also been carried out on the forts at Nizwa, Hazm, Bidbid and Barka. The magnificent fort at Rostaq, a former capital of Oman, which stands in a commanding position guarding the approaches to the great massif of the Jebel Akhdar, is another of Oman's treasures which has also been carefully returned to its former grandeur. In Muscat the two great forts of Merani and Jalali, poised on lofty crags overlooking Muscat Bay and the Capital's walled city, have been restored to their original glory, as has the fort on a rocky pinnacle overlooking the neighbouring town of Muttrah. Fort Jalali, for many years a prison before 1970, is to be a museum.

Inside the walls of Muscat are many fine old buildings, which have been preserved and carefully renovated. Most famous among these are the Sayyid Nadir — now a museum — and Sayyida Muzna mansions.

The Ministry is actively searching for historic buildings in other regions of the Sultanate to add to the list of those to be protected and preserved as part of Oman's cultural heritage.

Another aspect of the work of the Ministry is the acquisition and preservation of ancient manuscripts and documents. The oldest manuscript at present in its possession is an interpretation of the Sharia



Some of Oman's famed horsemen race at a local celebration (Photograph: Mohamed Mustafa)

dated Hijri 918 (AD 1512); others, on medicine dated Hijri 1084 (AD 1673) and Hijri 1305 (AD 1888), and on astronomy dated Hijri 1122 (AD 1710), are also part of this historical collection. The Ministry estimates that as many as 30,000 manuscripts could be in private hands in the Sultanate, but although it is prepared to purchase them for a handsome price the owners often wish to retain them for family reasons.

An historical museum has been established at Qurum in the Capital area with many fine displays. The fort at Bait Al Falaj, originally the headquarters of the Sultan's Armed Forces, has been restored and converted into a military museum.

The exhibits at the Natural History Museum, alongside the Ministry of National Heritage and Culture, are a delight to the eye. The examples of the wildlife of Oman, including oryx, Arabian tahr, caracal lynx and



Pre-historic weapons excavated in the Wadi Bahla area (Photograph: Ministry of National Heritage and Culture)

leopard among others, are displayed with great skill and imagination. Also to be seen are collections of sea-shells, butterflies, moths and bees. This museum is shortly to be enlarged. Both the Historical and Natural History Museums are particularly of interest to children, and are much used for the education of school pupils in the heritage of their country.

The Ministry is also responsible for the encouragement of traditional handicrafts and industries throughout the Sultanate for the preservation of these skills. It provides craftsmen with tools and materials and buys their products for sale at national handicraft centres. The programme has the two-fold aim of preserving Oman's culture and encouraging the rural people to remain in the countryside, thus stemming migration to the towns.

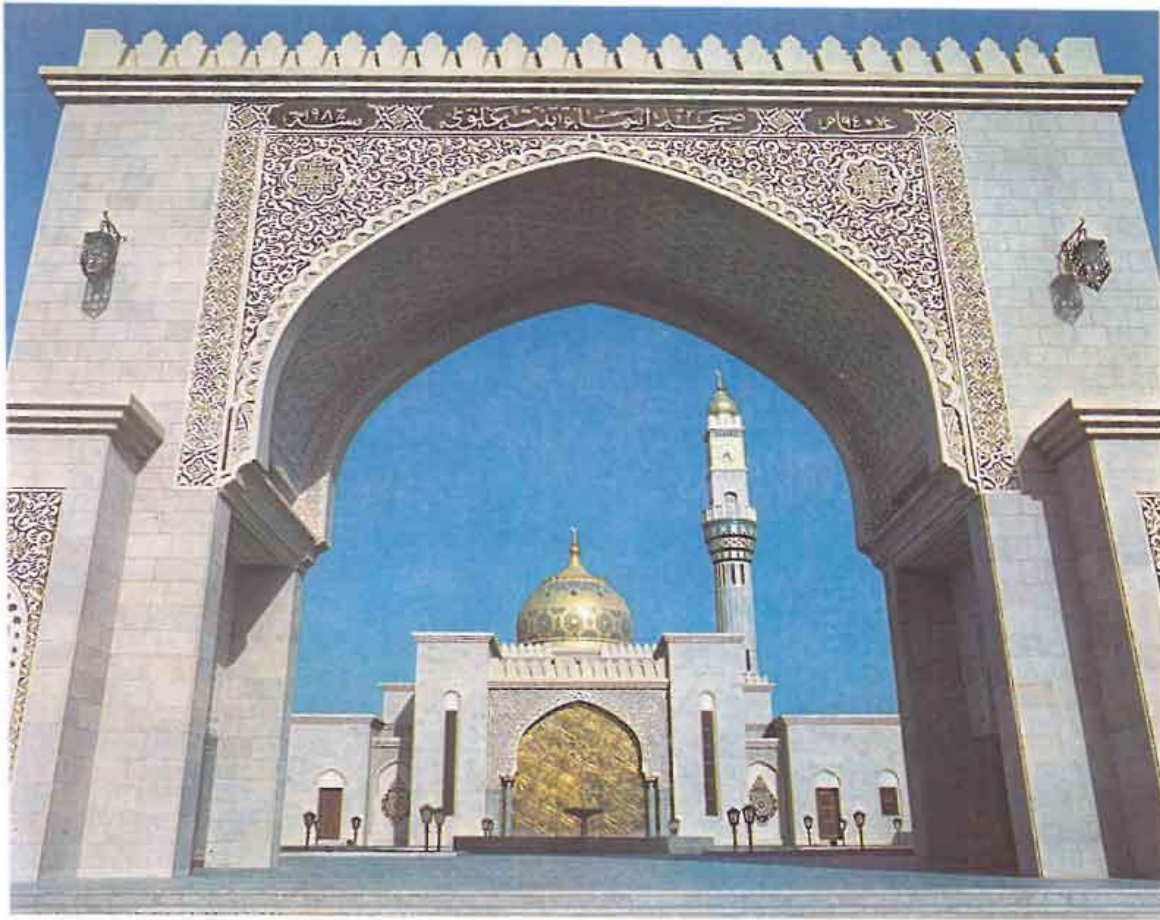
However, the work of the Ministry of National Heritage and Culture is not confined to the Sultanate. Omani cultural exhibitions have been mounted in a number of other countries, including Arab States,



An earthenware pot, discovered at Sinaw, containing a horde of silver coins which are estimated to be more than 800 years old (Photograph: Ministry of National Heritage and Culture)

Europe and America, where they have aroused considerable public interest.

A Cultural Centre Project in Salalah is due for completion towards the end of this year. It will have a multi-purpose hall and auditorium with a 700-seat capacity, and will be equipped with all stage and back-stage facilities. It is to include a museum, with all related services including an archaeological workshop and a library for adults and children. There



One of Oman's beautiful mosques (Photograph: Mohammed Al Wadhahy)

will also be a guest house for archaeologists and other visitors as well as offices for the Ministry in Salalah.

There is much still to be done in uncovering Oman's historic past. The task that lies ahead embraces a vast area — from the old and formerly flourishing port of Sohar in the north, where twenty years ago pieces of ancient Chinese ceramics could be found, testifying to the early trade with the Far East, to the remains of the ancient cities of Sumhuran and Al Balid in Dhofar in the south — but there is no doubt that the work will not only make an immense contribution to the Sultanate's already rich heritage, but also to world appreciation of Islamic culture.

