



Future is bright for Oman tourism, reports bear out

The travel and tourism industry of Oman has consistently grown, and is expected to witness spectacular growth in near future with rise in its contribution to GDP.

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Usama Bin Karim Al Haremi, Oman Air's Head of Corporate Communications and Media, said that all reports conform that Oman is well placed from several different perspectives to be successful in the tourism industry.

Firstly, it has more natural attractions by way of interesting scenery, historic sites, wildlife, and ecological features than other regions in the Gulf.

Secondly, the gulf is emerging as a tourism location, both for travellers to the region (including those going on to other destinations) as well as for holiday and business travel within the region.

Thirdly, the sultanate has been both politically stable and physically safe for tourists. Oman has a medium-term plan, Vision 2020, to develop areas of its economy away from their present dependence on oil and gas production.

Al Haremi informed that Euromonitor International, the world's leading independent provider of business intelligence on industries, countries and consumers with offices in London, Chicago, Singapore, Shanghai and Vilnius, mentioned in their report on Oman published on Oct 2008 that travel and tourism is emerging as one of the main pillars of the Omani economy, and hence of the Omani government's seventh 5-year plan (2006-2010).

With regard to tourism, Oman's Vision 2020 revolves around five areas of focus - establishing Oman as a regional travel and tourism hub, increasing the contribution of the industry to GDP to not less than 3%, increasing the participation of the private sector and activating its role in the development of various tourism activities, attracting foreign direct investment (FDI) and increasing the 'Omanisation' percentage of the industry to 80%.

On a regional front, the Middle East's investment in travel and tourism is expected to skyrocket over the forecast period, as at least US\$1 trillion is to be injected into hotels, resorts, attractions and associated infrastructure between 2007 and 2020.

Oman holds a considerable share of this capital injection, as HM Sultan Qaboos bin Said and the Omani government have allocated an appropriate budget to take the sultanate's tourism objectives forward.

The government's budgetary efforts were further complemented with the amending of a number of laws and regulations to attract FDI into the vibrant travel and tourism industry, where all such efforts are part of Vision 2020.

With the motto 'Tourism Enriches' in place, Oman is moving forward with its seventh 5-year plan and Vision 2020 with a strong focus on the fledgling travel and tourism industry. The government's focus on travel and tourism is driven by the objective to diversify its sources of income, taking into consideration the economy's over-dependence on oil and gas.

With full government backing, a recently established Ministry of Tourism, with effective marketing and promotional campaigns overseas, and an attractive FDI environment, the Omani travel and tourism industry is reaching new heights.

Al Haremi also highlighted that Business Monitor International, an international market leader in Business Intelligence, said in their Oman Tourism Report Q1 2009 Published on 18/03/2009 that according to the latest figures, in 2008 tourism accounted for just under 4% of Oman's GDP. However, the Sultan plans to target wealthy niche tourists by focusing on cultural, environmental and adventure packages.

The government also intends to upgrade tourism infrastructure and increase its overseas advertising, with a particular focus on the EU, the US and Asia. There are presently eleven five-star hotel or resort complexes in Oman, but many more are either planned or under construction. In addition, there are a large number of lesser-rated hotels. The most popular form of travel accommodation to date has been serviced apartments. Oman has a fairly well-developed physical infrastructure, particularly following the oil boom of the last few years.

With respect to recent global financial uncertainty, the GCC states have suggested that their economies are better placed than most to weather the enveloping global financial crisis, but in Oman's case, the insulating shield provided by the massive liquidity boom of the last five years is less watertight.

He added that the report referred to Oman's move towards upgrading its institutional apparatus. The most intriguing development, and one that may prefigure other changes through 2009 the report mentioned, is the establishment of an Oman Human Rights Commission - a move that triggered the sultanate's removal in November from an official US State Department list of countries that it said had not done enough to stop human-trafficking.

Al Haremi stressed that the report mentioned however, did not reflect the real situation lived by the Omani citizens and expatriates in the Sultanate, furthermore contradicted the good living reality enjoyed by people in the Sultanate. He affirmed that the Sultanate has long before establishing the Commission, initiated procedures of issuing legislations on human trafficking.

Head of Corporate Communications and Media in Oman Air notified too, that Oxford Business Group, a highly acclaimed global publishing, research, and consultancy firm published most recently their Oman report 2009. The report said that The Sultanate of Oman remains a peaceful

oasis of measured development and progressive government in a region often fraught with conflict and unfettered growth.

In 2008, the country scored considerable successes in the oil and gas sector, while also maintaining its commitment to economic diversification and higher standards of education. Oman's prudent policies and willingness to spend heavily on economic development should ensure that once the global financial crisis blows over, it will be well-positioned to reap the benefits across numerous sectors.

Characterised by scrupulous domestic policies and a moderate stance in international diplomacy, the Sultanate of Oman has been able to charter a steady course toward social and economic progress.

Under the leadership of Sultan Qaboos bin Said Al Said; Oman is attempting to strike a fine balance between economic diversification and adherence to its unique history and culture. Government-driven development toward diversification is guided by the broad goals of Vision 2020 - the government's 25-year programme established in 1995 - including enhancing the country's human resources and expanding the information and technology sector and upgrading national infrastructure. Challenges remain, but Oman's reputation for diplomacy and moderation gives reasonable hope that the Sultanate will live up to its potential in the future.

The tourism sector has become a main ingredient in the Sultanate's drive toward economic diversification while clearly exhibiting the country's commitment to maintaining its culture and history. With a more varied landscape than anywhere else in the GCC, and many Omanis in need of employment, tourism seems a natural mode of development. The country is choosing to enhance infrastructure in such a way that touristic areas blend naturally with Omani society and architecture.

To this end, the Ministry of Tourism is focusing on attracting a relatively low number of high-spending tourists, rather than massive crowds. Necessary capacity improvements are underway in most every aspect, including upgrades at Muscat's and Salalah's airports; building up the meetings, incentives, conferences and exhibitions (MICE) market; and expansion of hotel capacity across the country. In 2010, Oman will host the Asian Beach Games - the hope is that the event will increase international awareness of what the country has to offer.

Al Haremi to conclude referred to the article titled 'Oman plans £7bn tourism drive' published in the UK's telegraph on 07 Apr 2009 by Charles Starmer-Smith, where the interdiction reads, Oman believes it can quadruple the number of tourists it receives to 12 million by 2020, despite the global economic crisis.

Undeterred by the slow down in tourism in nearby Dubai, the Sultanate - in conjunction with the private sector - has invested in several major tourism projects at a cost of more than £7bn. Called 'Vision 2020', the ambitious project includes the construction of ten new resorts across the country within the next five years. The country has already opened a number of luxury resorts, such as the Shangri-La Barr La Jissah in 2006, while others are already under way. These include the Wave, a £1.7bn beachfront development, Norman Foster's Blue City complex and the five-

star Muscat Hills Golf & Country Club.

The main airport in Muscat is also being upgraded and extended, including a new terminal building and runway. Last year it handled just over three million international visitors. New regional airports are also to be built at Adam, Duqm, Haima, Ras al Hadd, Shaleem, and Sohar.

Despite the new developments, a spokesperson for the Mministry of Tourism said that protecting the country's environment and conserving its cultural heritage were key priorities. A change in entry regulations, which now allows travellers from 60 countries to receive their visas at the airport, has eased passage into the country.

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