



وزارة السياحة
Ministry of Tourism

TOURISM INVESTMENT PROSPECT IN OMAN



SULTANATE OF
oman
Ministry of Tourism

COMCEC

- **Tourism Industry in Oman**
- **Investment in Tourism Activities (Currently)**
- **Advantages of Investing in Oman**
- **Incentives granted to the Investors in the Tourism Sector**
- **Successful Project**
- **Challenges facing Tourism Investment in the Sultanate -**
- **The future strategy of Investment in Tourism Sector**

Tourism Industry in Oman

The Tourism sector in Oman has witnessed substantial growth during the last 4 decades. The value added of the tourism sector during the period 2009-2012 rose from 538 million to 636 million Omani Riyals (1.4 billion to 1.7 billion USD) thus realizing an average real growth rate of about 5.7% annually. The number of tourists reached about 2.2 million according to 2013 statistics.



Investment in Tourism Activities (Currently)

Integrated Tourism Complexes – ITCs

Accommodation projects:
Hotels - Resorts - Tourist camps -

Commercial & Recreational projects:
Commercial Centers and – parks...



Investment in Tourism Activities (Currently)

Services

Restaurants , Travel Agencies, Tour Guides , Managing Projects and services.....



Advantages of Investing in Oman



- ✓ Geography & Location
- ✓ Climate
- ✓ Political & economic stability
- ✓ Rich aquatic life
- ✓ Culture & Archeological Sites
- ✓ Road Network
- ✓ Reservation Sites



Incentives granted to the Investors in the Tourism Sector

1. Usufruct Agreement
2. Grant exemption:
 - Rental value for five years commencing from the date of receipt of the land, possible renewable for a similar period.
 - Income tax for five years from the date of operating the project, possible renewable for a similar period
3. Low land rental value per m²

As for the Integrated Tourism Complexes, in addition to the incentives mentioned above The Ministry of Tourism signs Development Agreement with ITC developer which defines the obligations and responsibilities of each party.

1. Allowing to sell & ownership of real estate units within the ITCs for the GCC residence and Foreigners.
2. The Ownership is transferable by inheritance
3. Visa Facilitation.
4. Electricity & Water

Successful Project

Shangri La's Barr Al Jissah Resort

- ITC
- Phase 1 completed in 2006 , phase 2 completed in 2010
- Components: 3 Hotels ,(72) Residential Units, Traditional Market & Marina
- Occupancy Rate in (2012): 55.6% & (Jan. – Oct. 2013): 60 %
- Number of units sold till December 2013 (62) units



Challenges facing Tourism Investment in the Sultanate

✓ Infrastructure:

- Infrastructure

✓ Investment:

- Incentives offered in the field of Tourism investment in the Sultanate are limited compared with neighboring countries.
- Financial institutions hesitate to grant loans and facilities for tourism projects
- Un clear & long Government Investment procedures with regards to the permits and licensing.
- lack information in tourism investment opportunities
- The inability of local companies in implementing and supervising the construction of projects with High quality

The future strategy of Investment in Tourism Sector

1. Evaluate investments in the Tourism Sector , identify point of weakness and strengths, and suggest a most advantageous model to serve the National Economy and optimize the benefits that can be realized from its links and interdependencies, lead to promoting the establishment of very small and medium Enterprise, to complement this model and become an effective means for offering Government incentives.
2. Study and evaluate Governmental requirements and procedures related to Tourism investment and projects, and suggest improvements that would enable the Ministry to establish a "one-stop" shop.



Thank You