

OMAN INVESTS IN TOURISM PROJECTS

\$14.7 M



The untroubled Gulf State of Oman has traditionally relied on oil revenues but now the country is keen on making tourism a key sector of the economy. With an aim to boost tourism sector new conference centers, world class hotels and airports are being built as the government looks to rely less on oil revenues.

A new terminal with a 12-million annual passenger capacity is also being constructed at the Muscat International Airport and is just one of the major infrastructure projects undertaken in the road, maritime, aviation and rail sectors.

Sultan Qaboos bin Said is keen on making tourism a key economic contributor and as last year's figures show, 6.4% of Oman's GDP came from tourism. In 2013, the revenue from oil accounted for 72% and according to the report by World Travel and Tourism Council, the figure is due to rise to 8.2% by 2024.

As Wael al-Lawati, the CEO of Omran puts it, the country would benefit more if they could entice visitors to spend more time in the country. Commenting about the report, the deputy director general of tourism with Oman's Ministry of Tourism, Ghasi Humaid al-Hashmi, also pointed to a thriving tourism sector. Al Hashmi said that creation of more job opportunities will also benefit many Omanis boosting the economy as well.

Oman's economic plans has leaned more on tourism with \$14.7 million allocated to projects initiated by Omran from 2011-2015. These projects are supervised by Omani government and two 5-star hotels have already been opened this year. These are the Alila Jabal Akhdar boutique hotel at the mountaintop and in the southerly port city of Salalah, there is the Salalah Rotana Beach Resort. Omran's CEO cited steady growth in the tourism industry with up to 41,000 jobs created by the end of 2014. By 2020 the government also aims to have up to 12 million visitors, an increase from 2.1 million in 2013.

Al Lawati also said that growth should come from getting value from visitors to Oman rather than concentrating on the number of arrivals. He hopes that cultural and historic sites in Oman like old castles, markets, forts and villages including other family-oriented entertainment packages can help entice visitors to spend more time in the country.

Saraya Bandar Jissah is a tourist complex complete with two 5-star hotels, wedding and sporting amenities, residential units and restaurants as well. Sheikh Hamood Bin Sultan al-Hosani, the CEO of the complex, pointed to the stable economic and political environment in Oman as ideal for tourism investment. **Together with the country's topography, geography and progressive policy this makes Oman a regional hub for investment opportunities.**

According to Golden Oryx- Tours and Sama al-Wasil Camp owner, Anwar al-Jabri, the Tourism Ministry's international promotional campaigns are yielding good results as he now receives many visitors of diverse nationalities. Though the growth is slow, al Jabri said that the government efforts in tourism sector are attracting global hoteliers benefiting small tourism firms like his.

The main challenge the country faces now is maintaining steadfast stream of tourists especially

during summer months when despite Monsoon rains from June to August in Dhofar temperatures still hit 50°C around Nizwa, Muscat and Sharqiyah Sands discouraging European tourists. Al Jabri pointed to the southern coast and the mountains where there are cooler temperatures and if developed can also boost tourism.

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