

OMAN VISION AND POLICIES TOWARDS THE PRIVATE SECTOR

Foreword

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It gives me great pleasure to participate in the first issue of the GCC Perspective Magazine by reflecting on Oman's vision for and policies towards the private sector.

First, I wish to extend our congratulations and best wishes to the Gulf Federation of GCCC Chambers (FGCCC) on the occasion of their 30th anniversary. Since its inception, the FGCCC has been vigorously advocating and furthering the interests of the Gulf private sector. Now with the start of the Gulf Common Market, the FGCCC is determined to proceed with greater vitality in pursuing its new obligations of facilitating the free movement of capital, pushing inter-Gulf trade and giving support to expanding Gulf joint ventures.

The Role of the Private Sector

Fostering the role of the private sector is a basic pillar of economic development strategies and plans laid out by the Sultanate of Oman. Persistent and varied efforts are being made by the Omani Government in support of the private sector.

Among the prominent measures being undertaken in that regard are the following:

- Giving emphasis to the development of infrastructure, utilities and services.
- Enacting positive business laws and regulations.
- Implementing the Privatization Program.
- Developing the financial sector
- Oman Chamber of Commerce and Industry (OCCI) and the Omani Centre for Investment Promotion and Export Promotion (OCIPED) directing efforts towards the encouragement of investments, export promotion, support for the Omani products and other issues of importance to the private sector.

- Utilizing the innovative advancements taking place in the field of IT for introducing greater flexibility and simplification to the business formalities. This is reflected in the two important processes of the re-engineering of the Ministry of Commerce and Industry, and the One Stop Shop.
- Directing attention and support to Small and Medium Enterprises (SMEs). This has manifested in the creation of the Directorate General for the Development of Small and Medium Enterprises through Royal Decree 19/2007.

The Omani private sector has reacted positively to those measures, as can be seen in its increasing involvement in the new investment initiatives and the tangible contribution it is making in the various production and services fields.

Oman's strong commitment to the policies of trade and investment liberalization and openness was behind the country's accession to the WTO, the signing of the Free Trade Agreement with the United States, its membership in the Greater Arab Free Trade Area and its signing of economic and trade cooperation agreements with a number of countries.

Such liberalization measures have permitted greater market access for Omani exports and laid the foundation for a healthy investment environment. The private sector however, while enjoying such benefits, is getting prepared for meeting the challenges associated with the extended liberalization, particularly the forthcoming foreign competition resulting from the free trade agreements.

During the past few years the Omani private sector has shown signs of confidence in its development. It has gained good and diverse experience in the areas of investment and foreign trade. Here we cite

some of the important activities and functions in which the Omani private sector has been involved:

- Through OCCI, Omani businessmen participate with the concerned government organs in discussing plans and important economic policy issues.
- Representatives from the private sector join the Omani delegations to the Joint Commissions concerned with the follow-up of trade and economic cooperation agreements with other countries.
- Through the membership of OCCI, the Omani private sector is taking part in the execution of the cooperation protocols signed between OCCI and its counterparts in countries of trade and investment importance to Oman.

Coordination within GCC

In compliance with the basic objectives of the Gulf Cooperation Council (GCC), the Sultanate of Oman maintains a high level of coordination with its sister GCC member states. As a result, Oman is proudly associated with the remarkable success that GCC is making in the various economic fields. Prominent here are the establishment of the Gulf Custom Union and, of late, the Gulf Common Market.

The Omani private sector, through Oman Chamber of Commerce and Industry, is playing its role in cementing the mutually beneficial ties between GCC and other regional and international trading organizations. It is also taking part in the functions organized by FGCCC with the private sector from different countries and economic groupings.

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