



Construction


A host of new projects are in various stages of building
Infrastructure is experiencing a surge of investment
Boosting the number of Omani workers is a priority
Tourism, business and refinery facilities are under way



TOURISM: Although civil works contractors are poised to reap the highest rewards from new construction activity, Oman's burgeoning tourism sector has also presented sizeable new opportunities for private contractors. The government's focus on tourism development activities will see thousands of new rooms come online in the mid-term; in July 2014 the Ministry of Tourism (MoT) announced it had approved 54 new hotel facilities which will add 2908 rooms to the market, as well as 74 hotel apartments.

In its efforts to boost hotel capacity and bolster tourism, the government has also moved forward on ITCs, mixed-use tourism developments spanning huge areas and offering benefits of foreign ownership.

ITCs currently under development include Jebel Sifah just south of Muscat, The Wave and the City Walk in Muscat proper, Salalah Beach in the sultanate's south, As Sodah Island, and Salam Yiti, located between the Al Hajar Ash Sharqi Mountains and the Gulf of Oman. The most recent \$600m Saraya Bandar Jissah was announced in September 2014 and is the first ITC announcement in seven years. The 2.2m-sq-metre facility will eventually house residential units, two five-star beachfront hotels, and recreational areas.

DEVELOPERS: Omran and Saraya Holdings, developers of the Saraya Bandar Jissah ITC, recently awarded a OR10m (\$25.9m) contract to Carillion Alawi to deliver the development's infrastructure construction. Carillion's contract includes installation of all utilities, including electricity and water, irrigation, storm water drainage, sewage, and communications networks, as well as road finishing work and street lighting. 

Most significantly for the sector, **Omage**, a consortium 25% owned by the Royal Court Affairs (RCA) and 15% by two subsidiaries of Consolidated Contractors International Company, signed an agreement with the government to develop a \$2.5bn tourism project in October 2014. The Omage project will span 1m sq m of beachfront land west of Oman, less than 10 km from Muscat International Airport, and offer hotels, retail space, and over 2000 residential units.

Notably, 245 acres of the Omage site was allocated to the government from Sultan Qaboos bin Said al Said, with the specific mandate of developing it as a tourism complex. Omage will receive up to OR27m (\$69.9m) in investment from RCA and CCIC, with the company expected to enter a payment-in-kind arrangement for the site's land, which is valued at over \$700m.