

## \$2.5 billion Oagine pearl project set for 2017 in Oman

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The Oagine Project will have three hotels, a boutique mall, an open air amphitheatre, exhibition venues, a harbour and marina area, offices and more than 2,000 residences.



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**Muscat:** Construction work on the multi-billion dollar Oagine Project is scheduled to begin in 2017 and should be complete by 2024, according to the Ministry of Tourism (MoT).

Located in Seeb, the project features seven pearl-shaped buildings which will host hotels, offices, residences and entertainment venues on one million square metres of land, the MoT said.

The project is expected to create more than 1,000 jobs for nationals when it is completed in seven year's time. The slump in global oil prices has meant project managers have been seeking further funding globally, according to Oagine chairman Frank J. Drohan.

Speaking to Times of Oman, Drohan said that they are in advanced discussions with several institutional and private entities in the United States, Europe and China to finance the project as a quite rational response to the present regional banking environment. "Other companies and governments regionally are quite rationally also reaching out to the international financial markets," he said.

In a quarterly report submitted to the US Securities and Exchange Commission (SEC) in March 2016, Oagine LLC, reported that "with the sudden fall in deposits from oil sales, bank liquidity at local banking institutions in the GCC came under immense pressure as deposits fell dramatically while simultaneously governments became large borrowers (where they were not before).

"Such sudden and large government borrowings from commercial banking institutions began to crowd out

commercial borrowing capacity of private companies. The largest banks of course weathered this storm more handily than the mid-size or smaller banks,” the statement said.

Drohan said that the longer term project finance is needed only after the detailed master planning and architectural design is completed. “And that is the reason we are working hard on many fronts with Consolidated Contractors Co (CCC) and other investors in Oman and the GCC, Europe, the US and China to make that happen,” he said.

Drohan also said CCC may still be the general contractor for the Oimage Project with a United States, European or China based contractor working as a substantial sub-contractor under CCC Oman.

It was in October 2014, Oimage LLC, signed a development agreement with the Government of Oman for the development of a \$2.5 billion real-estate and tourism project known as the Oimage Project.

In March 2015 the Ministry of Finance in Oman ratified the development agreement.

In July 2015 the development rights to the 245 acres of beachfront land were registered with the government of Oman.

The actual contract agreement is now fully drafted and is ready to be signed. “During the past month, I and our staff have been in Washington, Europe and Beijing with investors and to negotiate the terms of a construction sub-contract to CCC,” he told Times of Oman.

In May, Oimage Inc. also sponsored The World Summit on Innovation & Entrepreneurship (WSIE) at the United Nations Headquarters in New York City.

The Oimage Project will have three hotels (which will include serviced apartments and chalets), a boutique mall, an open air amphitheatre, exhibition venues, a harbour and marina area, offices, more than 2,000 residences and a large number of cafes, restaurants and entertainment venues. The Oimage Project will have seven pearl shaped buildings, each with a different theme, such as the Oman Pearl, Innovation Pearl, Energy Pearl, Culture Pearl and Earth, Sea and Sky Pearls.

The Pearls will feature a wide range of tourism experiences, simulations, games, interactive demonstrations, multi-media presentations and a planetarium and a multiplex.