



CREATING A HUB FOR THE FUTURE



A strategic location
in a strategic environment

Duqm, the largest development project of Oman.

The Duqm Project is the mere reflection of His Majesty Sultan Qaboos' vision to accelerate the Sultanates economic development. At the same time it aims to reduce its dependency on oil revenues while making full utilization of Oman's prime location in the Middle East region and in the world as a whole. The project is the biggest Special Economic Zone in the Middle East fully integrating residential, industrial, touristic and infrastructural developments under one umbrella. As such, the Duqm Project has truly become the flagship of the Sultanate's 2020 Vision which has been announced originally in the mid 90's and is now gradually taking its place in the global trade while being fully supported by a world class deep draft Port.

Oman's new
center of trade.



Oman facts & figures

Capital
Muscat



Population (2014)
4.2 Mn



Languages
Arabic & English



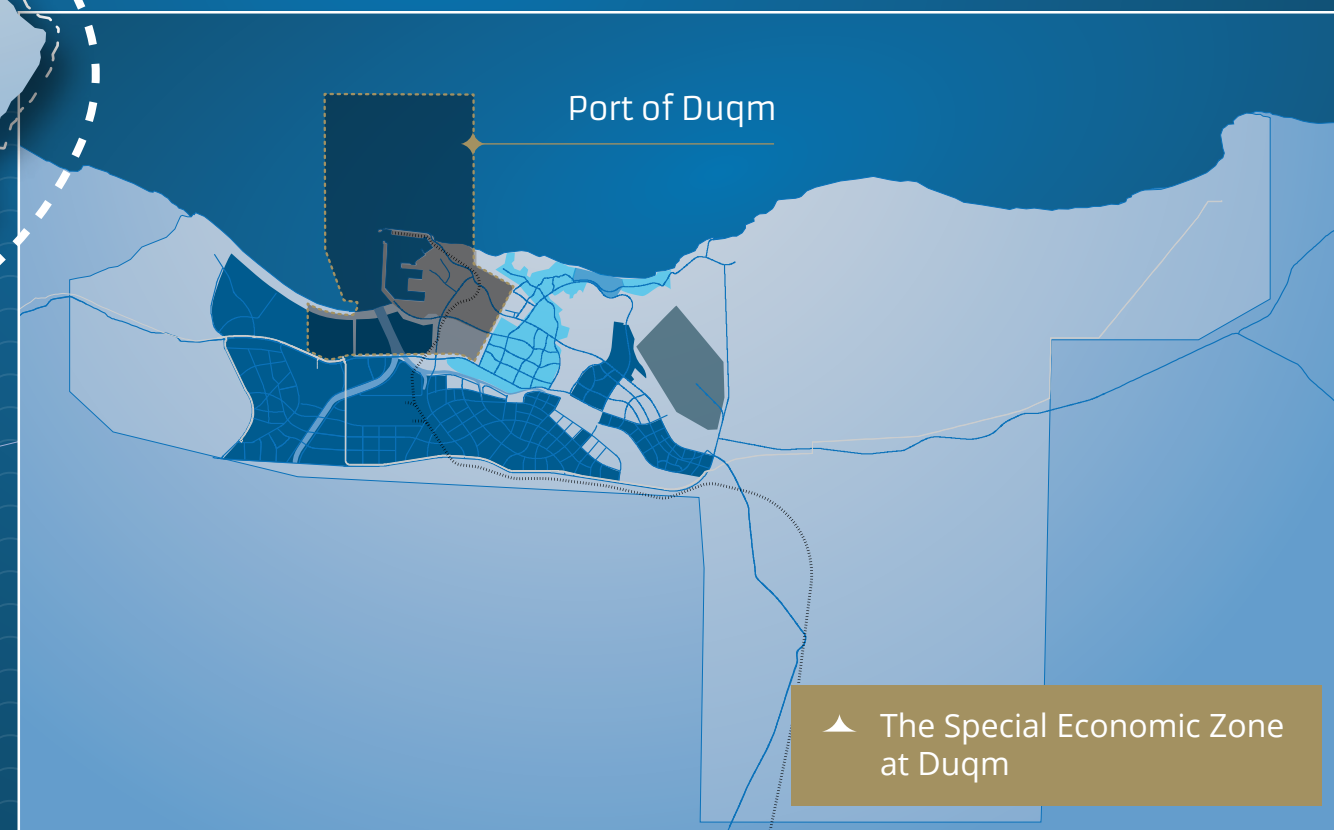
Total area
309,500 km²

Coastline
1700 Km

Currency
Omani Rial
= USD 2.58



GDP (2014)
USD 81.14 bn



Strategic geo-political location

- ◆ Outside of the Persian Gulf away from Strait of Hormuz
- ◆ Centrally located connecting East and West
- ◆ Proximity to major shipping lanes
- ◆ Doorstep away from major markets

PORT OF
DUQM



Oman? Yes! Oman!

Oman has a long history in the facilitation of trade between the Middle East, Asia and East Africa. As part of its 2020 vision, the Sultanate is doing tremendous efforts to prepare for a post-oil economy

The Sultanate of Oman is located in the southeastern coast of the Arabian Peninsula and holds a strategically important position at the mouth of the Persian Gulf. The nation is bordered by the United Arab Emirates to the northwest, Saudi Arabia to the west, and Yemen to the south and southwest, and shares marine borders with Iran and Pakistan. The coast is formed by the Arabian Sea on the southeast and the Gulf of Oman on the northeast. The Madha and Musandam exclaves are surrounded by the UAE on their land borders, with the Strait of Hormuz (which it shares with Iran) and

Gulf of Oman forming Musandam's coastal boundaries. Oman has modest oil reserves, ranking 25th globally, but oil revenues still account for the majority of its national income. A significant alternative portion of its economy is tourism and trade of fish, dates, and certain agricultural products. Oman is categorized as a high-income economy and ranks high globally as a politically stable and peaceful nation. Historically, Oman's capital Muscat was the principal trading port of the Persian Gulf region and among the most important trading ports of the Indian

Ocean. Over time, Oman's economy has developed further with the creation of regional ports and free zones in Sohar and Salalah. As part of its 2020 vision to diversify its economy further away from the Oil and Gas industry, the Sultanate has launched a new world class Port and a massive Special Economic Zone in Duqm. As such, the Sultanate wants to take more explicitly advantage from its prime strategic location and increasingly take part of the global trade, while allowing investors to establish themselves in the best possible business friendly environment.



Natural resources

oil, natural gas, copper, fish, minerals



Oil & Gas reserves and production

1 Mio b/d of crude (5.3 Bn barrels proven reserves)
1.1 Trillion cubic ft/year of natural gas

*(24.2 Trillion cubic feet proven reserves - expected to grow to over 50 Million cubic feet).
Oil and gas revenues account for 51% of GDP and 84% of revenues*

A business friendly environment

- ◆ Flexible tax system
- ◆ Liberal invest policies & business incentives
- ◆ Equipped modern infrastructure
- ◆ Hospitality culture
- ◆ Land availability at low cost
- ◆ Strategic location
- ◆ Government stability
- ◆ Abundant natural & energy resources
- ◆ Financial and monetary stability
- ◆ Low cost utilities

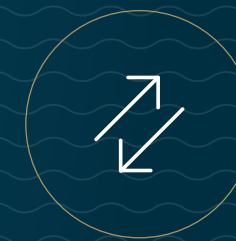


Economic relationships



International relationships

Oman has relations with over **140 countries** and is a member of over **105 regional and international organizations**



Major Trade Partners

UK, India, Japan, UAE, South Korea, China, EU, Thailand



Free Trade Agreement

USA, Singapore (GCC)

Duqm: the preferred Special Economic Zone for your investments

The Special Economic Zone of Duqm (SEZAD) stretches over 2,000 square kilometers with an 80km long beach front, which makes it the biggest in the Middle East region. The SEZAD authorities have started developing 40% of the area. The remainder part of the area is left for the future expansions.

The area is divided into 8 main areas that include a world class 18m deep draft port, a massive dry dock, a 230,000 b/d oil refinery, a regional airport, a heavy - medium and light industries complex, a residential and commercial area, a tourism area in addition to a logistic services area.

The immense size of the project allows for the establishment of

various mega projects. The government has ensured that the area is fit for a wide number of business activities to meet the needs of its investors. The Master Plan of this green field development is determined to guarantee ecological balance and allow residents and industrial tenants to move from one area to another smoothly using the main and sub road networks.

The area will house an advanced petrochemical industries and industrial complex that will use secured oil and natural gas supplies. It will also house an integrated manufacturing industry area that will utilize the available natural resources in the al Wusta governorate.

Moreover, the area is known for its abundant fish resources,

which qualify it to become a hub for fish processing industries and aquaculture projects. Duqm enjoys a modest climate during summer as well as winter in ad-

dition to the natural beauty of the region which will encourage the development of its touristic area. A separate legislative framework has been implement-

ed for the entire Special Economic Zone which includes a package of business friendly incentives, applicable for all investors establishing themselves in the Zone.



Duqm business incentives

- ◆ 100% Foreign Ownership
- ◆ Tax -exemption for 30 years
- ◆ Free Repatriation of Capital & profits
- ◆ No minimum capital requirement
- ◆ No currency restrictions
- ◆ No personal income tax
- ◆ Exemption from import & export duties
- ◆ Usufruct agreements up to 50 years renewable
- ◆ One-stop station service

World class deep draft Port

Situated on the southeastern seaboard of the Sultanate of Oman, overlooking the Arabian Sea and the Indian Ocean, Port of Duqm, a joint venture between the Omani Government and Consortium Antwerp Port, is fast becoming an important reality of the Middle East region's rapidly transforming maritime landscape.

In concrete, this means that Port of Duqm Company has to fulfil the multiple roles of:

- Port Authority
- Terminal Operator of the Multipurpose, Dry Bulk and Early Container Terminal
- Landlord of the 5,000 ha of land (Port Bound, Logistics, Liquid Bulk and Industrial Land) which have been granted under its concessions
- Single focal point for investors

The Port has entered into an

early operations phase with a fully functional dry port and commercial quay capable of handling heavy lift project cargo, general cargo, dry bulk and containers. In addition, the Port offers a wide range of services such as the availability of MARPOL facilities, fresh water supply, fuel bunkering and domestic waste collection & treatment facilities. Being closely located to the major oil & gas and mining projects in the country, Duqm is seeking to increase the activity level exponentially in the years to come.

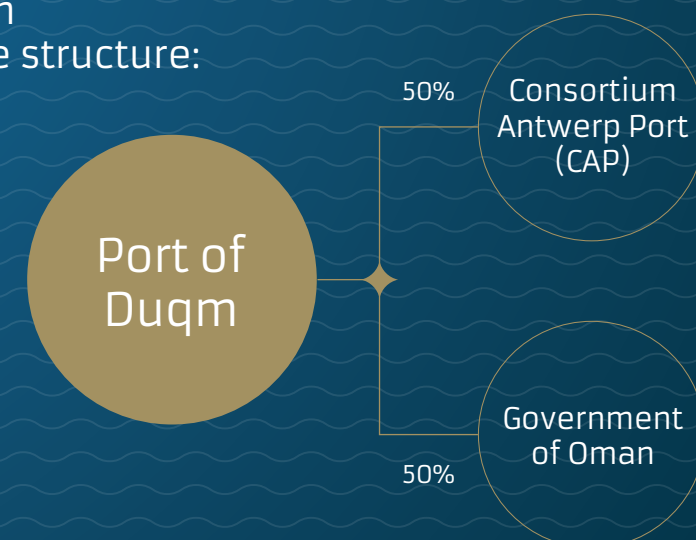
A multi-purpose feeder line linking Duqm with the main regional ports Salalah, Sohar and Jebel Ali is already in place. Port, Logistics and Industrial prime land is prepared and readily available for investors seeking to benefit from the integrated package of incentives the Special Economic Zone has to offer.

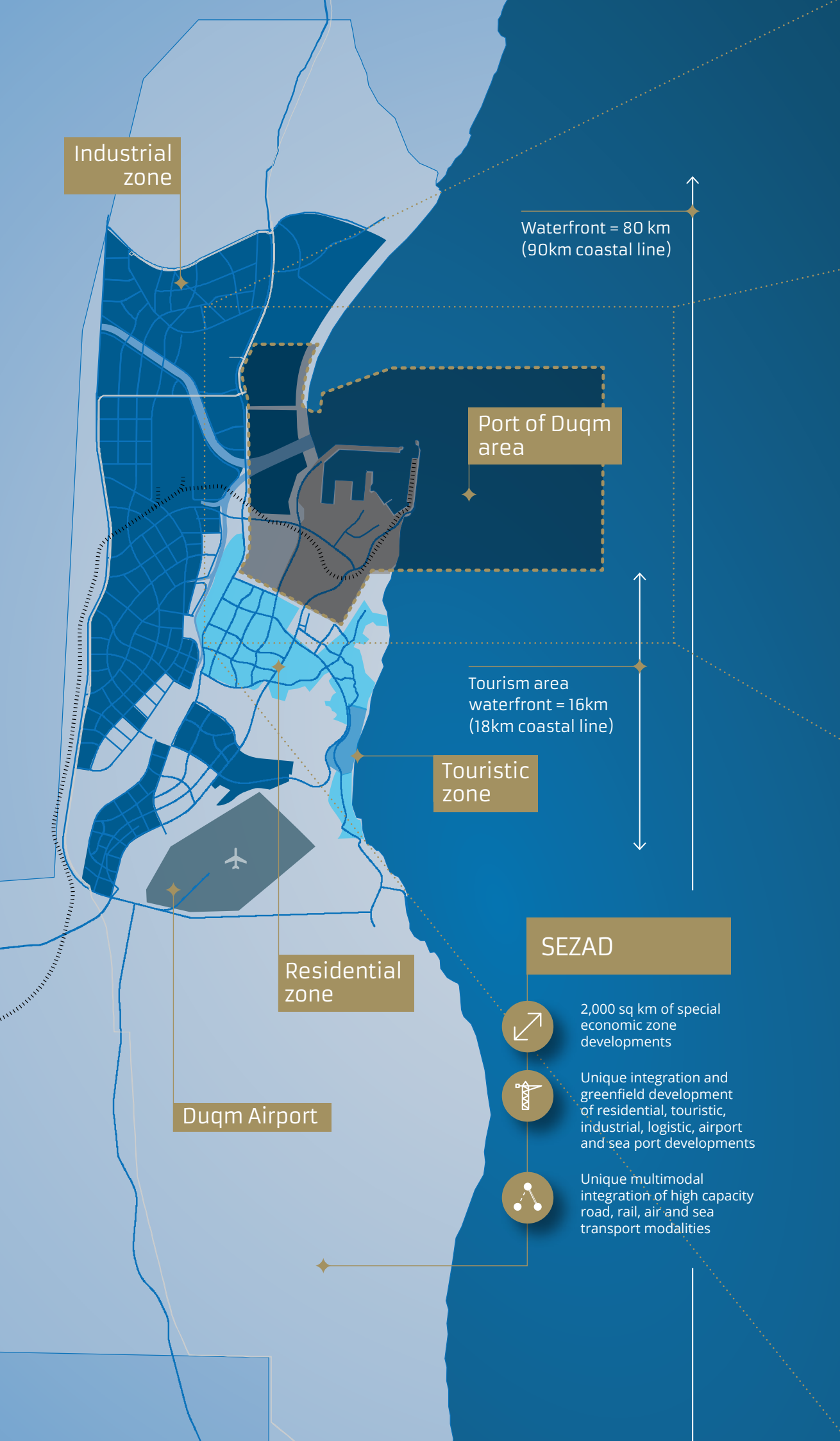
With its deep draft (18m), lengthy quay walls, and expansive basin, Port of Duqm has the trappings of a world-class, multipurpose commercial gateway.



Port of Duqm: the heart of the entire Special Economic Zone Project

Port of Duqm joint venture structure:





Port of Duqm facts & figures	2016	2020	2030
2'000 ha of medium, heavy and petrochemical industrial land			
19m approach channel		Liquid & dry bulk	
		• development area: 1156 ha	
Breakwaters		Liquid jetties Phase 1:	Liquid jetties Phase 2
• Lee breakwater: 4.5 km		• 102ha land	
• Main breakwater: 4.1 km		• 18m draft	
Port Basin: 18m draft		• 7 berths	
Commercial quay			
• 2.2 km of quay length		• 2.2km quay length	
• 80ha land		• 80ha land	
• 100,000 to 200,000 TEU container		• 2 container terminals (3.5 Million TEU/year)	
• 4 Million tons of dry bulk export capacity		• 5 Million tons dry bulk	
• 1 Million tons of project, break bulk and heavy lift cargo		• 1 Million tons of project, break bulk and heavy lift cargo	
• 24/7 operations		• 24/7 operations	
Oman Dry Dock		Future development 380ha	Future Port development: 600ha
			• container expansion
			• car terminal
			• dry bulk handling
			• rail integration
Logistics land: 65ha		Logistics land: 565ha	
		Rail line integration	
Road network		Port pre-gates and security	

Our terminals

Multipurpose Terminal

Port of Duqm is already handling project and break bulk cargo since 2012 and has a particular track record for the heavy lift operations. Taking fully advantage of its central location vis-à-vis the various oil and gas concessions in Oman, not being surrounded by any mountains or other geographical restrictions, Duqm is therefore the preferred point of entrance for all project cargo movement towards the existing and new oil and gas fields.

Following cargoes have been handled in the Port of Duqm:

- All heavy lift cargo (up to 1500 mt)
- Oil and gas pipes
- Drilling pipe tubing and casing
- Steel structures
- Machinery
- Factory equipment
- Steel coils
- Break bulk cargo (big bags, drums, etc)
- Automotive cargo

The following equipment is available:

- 2 Gotwald 120 ton mobile harbor cranes (capable of lifting 240 ton in dual hoist)
- 3, 5 and 11 ton Fork lift trucks
- 3 Reach stackers
- General slinging equipment
- Drum and big bag handling equipment
- Sets of up to 35 tons

Early Operations Container Terminal

Port of Duqm has the clear ambition to become a major hub for the handling of containers, making full utilization of its major assets, such as its prime location, the 18m guaranteed draft, the excessive land and quay length availability and its current and future intermodal capabilities to reach local, regional and international markets in the most cost efficient way.

In the current first phase, container yard operations are carried out in the 'Early Operations Container Terminal' which is a 300m wide fenced area just next to the Multipurpose Terminal.

The loading and unloading operations are carried out by the 2 mobile harbor cranes which have a joint capacity of ca 30 moves per hour.

Apart from the cranes, the Port is equipped with:

- Manual container spreader
- Automatic container spreader
- Spreader bridge
- 3 reach stackers

Port of Duqm is linked to major other Ports in the region – Salalah, Sohar and Jebel Ali – by the launch of a multipurpose feeder line in April 2016. This

weekly to two weekly service allows industries in the wider Duqm area to import and export container and project cargo on a regularly scheduled basis.

In a second phase, Port of Duqm is planning to construct and operate 2 major state-of-art container terminals on its commercial quay, which are expected to be operational as from early 2019. By that time, the capacity will be increased to 3.5 Million TEU. In a later phase, the container handling capabilities will be expanded further towards its 'Phase 2' Port Bound land expansions.

Dry Bulk Terminal

Oman has vast deposits of metallic and non-metallic minerals. Past surface exploration work and geological mapping has demonstrated enormous quantities of mineral deposits located within a radius of around 300 kilometers of Duqm Port such as limestone, dolomite, gypsum, marble, gabbro, silica sand, shale, kaolin, laterite, basalt, solar salt and ornamental stone. These deposits can be mined, processed and exported out of Duqm Port, thereby adding value to the Sultanate's natural resources.

In the immediate vicinity of the Port, mines of high quality

limestone and dolomite have started their operations, which are feeding the local industries. However, a substantial part of the products will be exported in large quantities as well via Duqm Port. The dry bulk terminal officially started its operations in February 2016 when a first vessel was loaded with 50,000mt of dolomite. The Port is equipped with wheel loaders to facilitate stock piling and loading operations. The current capacity of the Terminal is about 2.5 Million tons per year. Currently only self-gearred vessels can be handled, but the Port is planning to further invest in loading equipment

in the near future to increase the capacity and loading efficiency of the Terminal.

Port of Duqm has foreseen further expansion of its dry bulk handling capabilities in the Phase 2 developments of the Port. Furthermore, Port of Duqm has integrated the possibility to add rail connectivity to the terminal. The idea of the future rail line is to connect Duqm with a larger hinterland – including but not limited to the major mining areas of the country. Once realized, this will allow Duqm to become a major Dry Bulk handling Port in the Middle East region.



Port of Duqm started to operate the multipurpose terminal in 2012, and ever since has built up a strong reputation as reliable multipurpose terminal operator.



In a first phase, Port of Duqm is performing the container operations in the Early Container Terminal. This is a 300 meter wide ISPS certified area on the commercial quay which has the capacity of handling between 100,000 and 200,000 TEU.



Port of Duqm has dedicated an area of approximately 10 ha and 300 meter of quay length at its commercial quay for the Dry Bulk Terminal which will primarily will focus on the exports of minerals such as limestone, dolomite and gypsum.



Duqm Land

Port Bound Land

Port Bound Land includes all land which has close proximity to the Port's quays.

Phase 1

This is the land on and around the commercial quay, the government quay and the Port entrance and covers a total area of approximately 100 ha. The Port already performs or projects the following activities in this part of the Port:

- A cement import terminal
- A bitumen import terminal
- A bunker terminal
- **The multipurpose Terminal**
- **The Early Container Terminal** and future Container Terminals
- **The Dry Bulk Terminal**
- A RORO terminal

- Laydown areas
- Light Industrial and Logistics activities which require direct quay access

Phase 2

The Phase 2 Port Bound Land covers the development of a 600 ha area which is yet to be reclaimed. The Port plans to start to operate this area once the Phase 1 developments reach a level which does not meet the requirements any longer. The Phase 2 expansions include the further development of container, dry bulk, RoRo and multipurpose terminals.

Expectation is that this part of the Port will become operational between 2025 and 2030.

Logistics Land

The Logistics Land covers an area of approximately 1,000 ha to be developed for logistics and light industrial activities. This includes the following:

- Laydown areas
- Transport activities
- General warehousing
- Stock keeping activities
- Container Freight Stations
- Repacking units
- Parking areas
- Container yards
- Assembling facilities

In a first phase, the Port has levelled a 65ha area of the Logistics Land which is being handed over to tenants. Utilities and road works are being carried out and infrastructure will be fully made available in the first half of 2017.

Port of Duqm is developing a total land area of about 5,000 hectares under 2 different concessions it has been granted by the Oman Government for a 28 year period, starting in July 2015. Port of Duqm is developing this land under the 'Landlord' model, which means it provides contractual rights of a variety of land zones to tenants which enter into long term land lease agreements with the Port.

Liquid Bulk and Petrochemical Land

The Liquid Bulk and Petrochemical development area is a 1,375 ha area in the northern part of the Port. Due to its proximity to the future liquid bulk jetties, it projects to facilitate liquid bulk

terminals as well as dry bulk and (petro)chemical industrial related activities. In a first phase, off site storage facilities are expected to be developed on the liquid jetties, serving the future refin-

ery, which will be developed just north of Port of Duqm concession area. Duqm Terminal and the liquid berths are expected to be operational in the course of 2019.

Industrial land

Port of Duqm has signed a separate concession with the Oman Government to develop an industrial and petrochemical area of 2,000 ha for medium heavy to heavy industrial activities. A first phase of 250 ha of medium heavy industrial land is currently being developed and handed over to tenants under long term lease agreements. Utilities and infrastructure are expected to

be fully in place in the first half of 2017.

The location of this first phase is excellent and just across the future refinery project development. Port of Duqm is targeting a number of industries including but not limited to:

- Ready mix concrete production and packing units

- Cement factories
- Steel structure assembly factories
- Chemical plants
- Mineral crushing and repacking plants
- Downstream mineral processing plants
- Ceramic Tile and porcelain production facilities
- Glass production facilities
- Paint production facilities



Access to multiple transport systems



ROAD:

- ◆ 2 and 3 lane roads within the Duqm zone
- ◆ Swift connection to Muscat, Salalah and Haima- New road from Oman to Saudi

RAIL:

- ◆ Fully integrated in Duqm masterplan
- ◆ Inland development in phases
- ◆ Connection to GCC rail network
- ◆ Phase 1 connection to major mines in south Oman

SEA:

- ◆ 18m guaranteed draft
- ◆ Non-congested
- ◆ Unlimited quay length
- ◆ Feeder service for containers in place

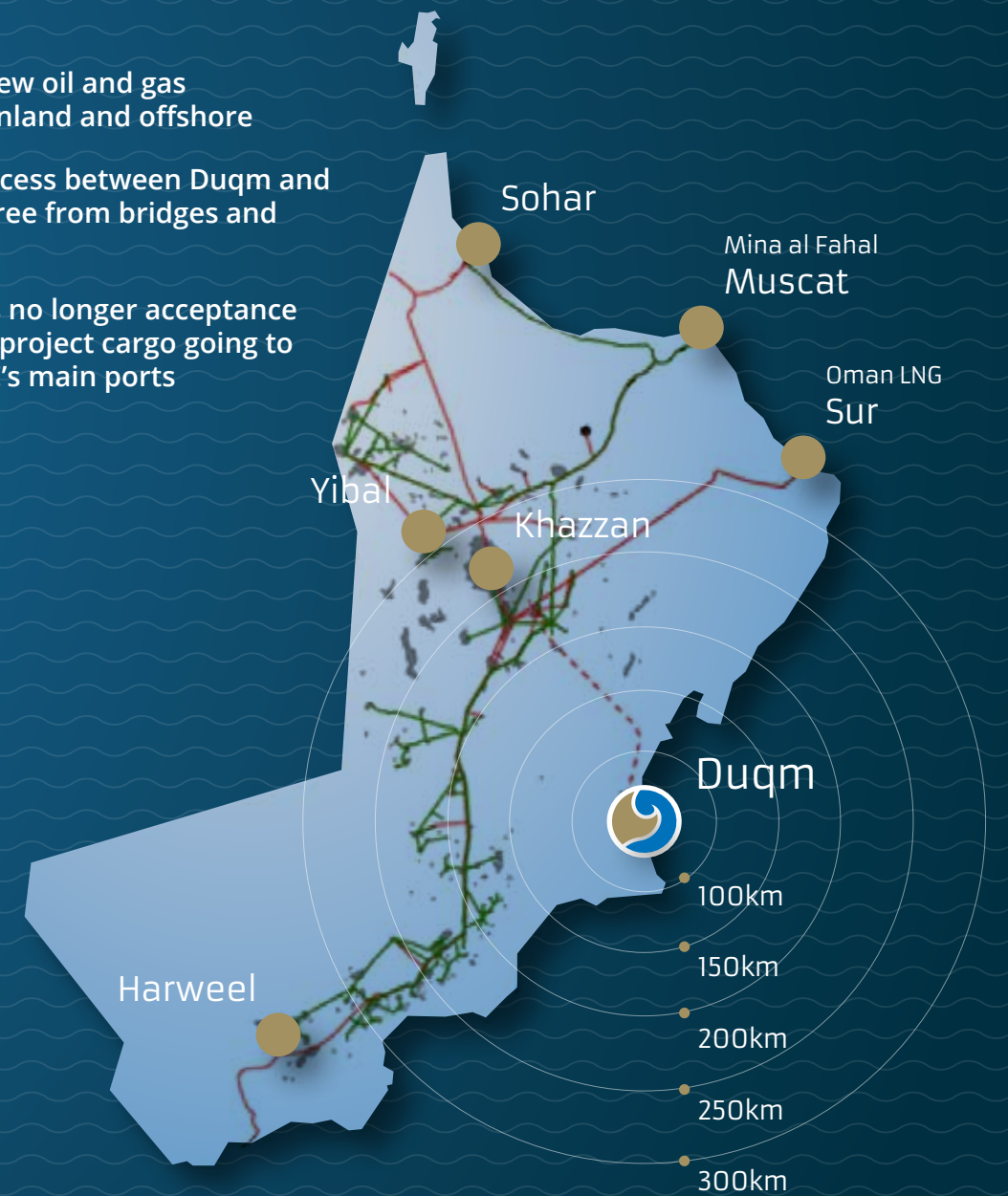
AIR:

- ◆ New airport operational since 2014
- ◆ 4km runway
- ◆ Both passenger and cargo
- ◆ Capable of handling largest aircrafts

Access to Oil & Gas projects

Given its central location vis-a-vis the various oil and gas concessions in the country, Port of Duqm is already playing an essential role in the import and distribution of oil and gas related project, break bulk and containerized cargoes

- ◆ Close to the new oil and gas concessions, inland and offshore
- ◆ Direct road access between Duqm and the oil fields free from bridges and tunnels
- ◆ Today there is no longer acceptance of (oversized) project cargo going to Oman via UAE's main ports





DUQM,
THE PREFERRED SPECIAL
ECONOMIC ZONE FOR YOUR
OVERSEAS INVESTMENT

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