

Friendship and cooperation

By **SIMON PENNEY**

HER MAJESTY'S TRADE COMMISSIONER FOR THE MIDDLE EAST, AFGHANISTAN AND PAKISTAN



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has been Her Majesty's Trade Commissioner for the Middle East, Afghanistan and Pakistan since May 2018 and he leads the work of the UK Department for International Trade in the region. His remit covers trade promotion, investment, trade policy and export finance. Before joining the government, Simon held roles in the Middle East with First Gulf Bank and the Royal Bank of Scotland, prior to which he was with ABN AMRO Bank in South Africa and the UK. He holds an Engineering degree from Reading University and an MBA from Nottingham University.

I begin by extending my own personal and heartfelt condolences to the people of Oman on the passing of the 'very best of men', His late Majesty Sultan Qaboos. He was a visionary leader whose steadfast guidance, enduring faith, and unwavering commitment to his people were the foundation upon which Oman's success is built. We celebrate his achievements and his legacy, for his is a life worth commemorating.

At the same time we celebrate the transition to His Majesty Sultan Haitham bin Tarik, and wish him all the very best for a long and prosperous reign. We look forward to working with him, in friendship and partnership, in the months and years ahead. Friendship is the backbone of our bilateral relationship. Ours is a friendship that is deep, historic and enduring.

I reflect back on the signing in May last year of the UK-Oman Comprehensive Agreement, which demonstrates our two countries' commitment to working together across a number of sectors. In signing this agreement, our ministers jointly stated that for decades, His late Majesty Sultan Qaboos and British Prime Ministers have been at the forefront in ensuring that our close friendship has been maintained in the spirit of the 1800 'Unshook' treaty – for which we celebrate the 220th anniversary this year.

In my role as Her Majesty's Trade Commissioner, I see for myself the positive impact of this enduring friendship. Not only in the exchange of goods and services leading to increased trade and investment, but crucially in the exchange of ideas and the strengthening of relationships at every level.

As Oman seeks to drive diversification to create new economic opportunities across key sectors, my message to all Omanis is that the UK is here to support your vision. By creating partnerships at a Government-to-Government level, and working together to tackle common challenges, we can deliver solutions that benefit both countries.

Bilateral trade between the UK and Oman last year hit £1.4 billion, which constitutes a 70% increase if we go back just five years to the end of 2014, and a 110% increase over the course of the last decade.

While our Department for International Trade (DIT) seeks to drive exports overseas and promote investment into the UK, this is not all we strive to do.

Today, the Department also has a strong Outward Direct Investment remit. Indeed, the UK is already the

number one investor into Oman, making up roughly 50 per cent of all FDI into the Sultanate.

One area of growing collaboration is between DIT and Ithraa. We share similar ambitions, to grow mutual trade and investment between the UK and Oman.

With Ithraa's mission to attract sustainable investment, promote the export of Omani goods and services, and thus support jobs and growth, it's clear that DIT and Ithraa have complementary goals, so it is fitting that we collaborate to meet these ambitions together.

Another key priority for DIT is the establishment of Freeports across the UK. As the UK moves towards this goal, we can learn much from the ports and freezones in Oman.

With the opportunities afforded by their strategic location on the open ocean and in close proximity to major East-West shipping lanes, I have no doubt that Oman's emerging ports will flourish and take a larger share of global trade flows.

Oman's unique position makes it geographically ideal as a gateway between East and West. And increasingly as a gateway to the South.

ASYAD's ports and freezones in Sohar, Salalah and Duqm can facilitate the movement of goods to growing middle classes in Asia and Africa.

British businesses have played a role in making this happen. Atkins' master plan for the Special Economic Zone Authority Duqm (SEZAD), Babcock's Joint Venture with Oman Drydock Company (ODC) to build up and operate Duqm Naval Dockyard, and Petrofac's work in Salalah and Duqm are just a few examples to share.

UK Export Finance also plays an important role, both in funding projects and bringing in the UK supply chain. Douglas OHT's work on the Liwa Plastics project in Sohar Port, the project financing packages put in place for the new oil refinery in Duqm, and the new hospitals which International Hospitals Group (IHG) are building in Salalah, Khasab and Suwaiq demonstrate the value that UK Export Finance can bring.

UK-Oman partnerships are going from strength to strength. Our long history as trading partners means that British companies can rest assured that they will be supported as they grow their businesses in Oman. I underline the UK's commitment to take the historic friendship with Oman into a new era of collaboration to benefit future generations.