

Omage firms up plan for RO 1bn tourism project

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By Conrad Prabhu - MUSCAT – Plans for the development of a major Integrated Tourism Complex (ITC) in Muscat Governorate, dubbed the Omage Project, have made further headway following the signing recently of a key Shareholder Agreement by its promoters.

The mixed use tourism, cultural and residential development is proposed to be developed along a pristine beachfront stretch not far from Muscat International Airport. Total investment in the development and construction of the scheme is estimated at RO 1 billion (\$2.5 billion).

Omage LLC - the company behind the lavish venture - announced last month the conclusion of a Shareholder Agreement with three strategic shareholders: Office of Royal Court Affairs (25 per cent), Consolidated Contractors Company SA (10 per cent) and Consolidated Contractors Co Oman LLC (5 per cent). The deal effectively reduces Omage LLC's equity holding in the project from the original 100 per cent to 60 per cent.

With the signing of the Shareholders Agreement, the project is set to enter a new and energetic phase of development. Frank J Drohan, President of Omage Inc, the holding company of Omage LLC, noted in a statement issued soon after the agreement signing that the parties concerned are now focused on concluding a Development Agreement with the Government of Oman.

The Development Agreement will govern the design, development, construction, management and ownership of the Omage Project. Importantly, it will also clear the decks for construction work to begin in earnest on the ambitious project.

Set on an area covering around one million square metres, Omage will incorporate heritage, educational, entertainment and residential components anchored by a 'high culture' theme park featuring seven pearl-shaped buildings, associated exhibition buildings, a boardwalk, an open air amphitheatre and stage.

In addition to an enclosed harbour and marina, the complex will also include a selection of five, four and three-star hotel resorts, restaurants, retail shops, entertainment avenues, and other leisure facilities. A residential component comprising around 2,000 residential units is envisaged as well.

The Omage project is expected to be designated an Integrated Tourism Complex (ITC), allowing

for the promoters to sell the freehold title to residential properties to Omanis and non-Omanis. The development's beachfront setting overlooking the Sea of Oman, within easy distance of the international airport and other key landmarks within the city, also promises to accentuate the project's commercial appeal.

Significantly, CCC Oman's acquisition of a minority shareholding in the project effectively confirms its role as a general contractor for the implementation of the venture. CCC Oman is a subsidiary of Consolidated Contractors Group SAL (CCG), a Lebanese multinational company headquartered in Greece. CCG and its subsidiaries around the region boast a combined workforce of 120,000 employees and an annual revenue of \$5.5 billion.

The Omagine project is the latest in a series of sumptuous Integrated Tourism Complexes (ITCs) that promise to drive growth in the Sultanate's tourism sector. While some of these ITCs have either stalled or collapsed altogether in the wake of the recent global economic downturn, others such as The Wave Muscat, and Muriya's Salalah Beach and Jebel Sifah, have made significant headway in their development.