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AGREEMENT MARKS DEVELOPMENT OF METAL CLUSTER OMAN

On January 17th, Oman signed a long-term agreement with an United Arab Emirates based business group to set up the nation's first iron and steel plant. The agreement marks a new era of industrial growth and the start of a metal cluster in Sohar, north west of Oman's capital Muscat. The UAE business group will set up one of the most modern iron and steel plants in a project totalling 750 million USD.

A local firm named Shadeed Iron and Steel LLC has already been established. The company will gradually expand its production capacity through three different phases and at the end of 2009 four million metric tonnes of steel shall be produced per year.

On completion of the 3 stages, the total number of manpower needed shall be 585 with an expected 700 indirect job opportunities.

The metal cluster project will make Oman a leading producer of iron and steel in the region. The plant is expected to export iron and steel products to neighbouring markets such as the UAE, India and China. At present Oman mainly imports steel.

"The project is expected to significantly contribute to the country's economic activity as the basic downstream projects are expected to provide the nationals with good job opportunities. It will give a considerable boost to the country's gross domestic product" claimed Ahmed bin Abdalnabi Macki, minister of national economy and deputy chairman of the Financial Affairs and Energy Resource Council.

An important role in the deal was played by the Sohar Industrial Port Company (SIPC). SIPC is a joint venture between the government of Oman and the port of Rotterdam (The Netherlands). It promotes, coordinates and facilitates the establishment of heavy industries in the Sohar Industrial Port.

Source: [Times of Oman](#)