

MARKET

Mining firms call for licence transfer

3 Oman's mining industry has urged authorities to allow companies to transfer their licence for concession areas to another party as several firms are holding their licences without doing anything. The authorities should find a solution to transfer inactive licences. **>B1**

Allow transfer of concession area licences: Mining sector

Several companies are holding their licences without doing anything and authorities should find a solution to transfer the inactive licences, chairman of Kunooz Oman Holding, said

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Give them a year or so to transfer the licence, allow them to get some benefit because they also made an effort to get the licence

Salim Abdullah Al Rawas

Chairman of Kunooz Oman Holding



- Picture by Talib Al Wohaibi/Times of Oman

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MUSCAT: Oman's mining industry has urged authorities to allow companies to transfer their licence for concession areas to another party as several firms are holding their licences without doing anything.

The authorities should find a solution to transfer inactive licences. "Give them a year or so to transfer the licence, allow them to get some benefit because they also made an effort to get the licence," said Salim Abdullah Al Rawas, chairman of Kunooz Oman Holding, on the sidelines of signing a shareholder agreement with Oman Investment Fund.

"Keeping it that way will not serve any purpose."

The private sector mining firms earlier asked for clear clauses for

the speedy processing of the mining licences in a move to avoid project delays.

Without doing anything

Al Rawas said that several companies are holding their licences without doing anything. "There is no clear law on how to deal with such licences. They should make the regulation transparent and clear and should solve the (problem of) licences which are not active," he added.

Dr. Ali Masoud Al Sunaidi, Minister of Commerce and Industry, early this year said that the government is planning to regulate resale of mining concession licences by companies to check unhealthy practices.

Al Rawas also noted that his company has submitted several applications for getting licences

for mining concessions. "We are following-up with the Public Authority for Mining. We will get the approval in due course."

Oman's new mining law, which was recently drafted by the Public Authority for Mining and is awaiting approvals from relevant ministries, will help attract investment and develop the sector to enhance its contribution in the country's gross domestic product.

The Public Authority for Mining is also formulating a mineral strategy to enhance the sector's contribution in gross domestic product.

Oman has ample opportunity to develop copper, chromite, limestone and gypsum, thanks to availability of raw materials, better infrastructure and port facilities, and opportunity to export it to overseas markets.

Kunooz Oman plans share sale in first half of next year

Times News Service

MUSCAT: Kunooz Oman Holding, a leading player in mining, quarrying, transportation and construction materials sectors in the country, plans to float an initial public offering in the first half of 2017.

The company has obtained an initial approval to offer at least 25 per cent stake in Kunooz Oman to the investing public through a share offer on the Muscat Securities Market. "We are planning to float the IPO hopefully during the first half of next year. The percentage may change or will remain the same," said Kunooz Oman Holding chairman Salim Abdullah Al Rawas. He was talking to the media on the sidelines of a shareholder agreement with Oman Investment Fund (OIF).

Oman Investment Fund, a sovereign wealth fund, has acquired 20 per cent of shares in Kunooz, which has a paid up capital of OMR16 million. The shareholder agreement was signed between the two companies on Thursday in the presence of other senior officials from both companies and bankers.

The shareholding of Oman Investment Fund is expected to add further depth to the existing board of Kunooz Oman as OIF will be represented by two board



KEY DEAL: Shareholder agreement was signed between the two companies on Thursday in the presence of other senior officials from both companies and bankers. - Picture by Talib Al Wohaibi/Times of Oman

members. The inclusion of OIF as a shareholder is set to increase investor confidence, lend credibility and strengthen Kunooz Oman transformation into a public company.

A successful IPO can improve Kunooz Oman's access to capital, new mining opportunities both in Oman and internationally, which is also in line with Oman's strategy to reduce its dependence on hydrocarbon resources.

Mining Development Oman (MDO), another major mining firm promoted by four state-owned firms (State General Reserve Fund, Oman Investment Fund, Oman Oil Company and Oman National Investments Development Company), also plans to come out with an initial public offering either this year or early

next year to raise OMR40 million from investing public. Kunooz Oman is one of the largest mining companies in Oman and comprises Al Rawas Mining, Mihwar Al Wifaq, Al Rawas Marble and Granite, Salalah Readymix and Al Rawas Transport. Two associate companies of the group are Majan Mining and Carmeuse Majan.

Kunooz Oman's current operations are well positioned to supply gypsum, limestone and lime to the Indian Pacific Asian and East coast of African markets collectively fuelled by strong activity in urbanisation and infrastructure sectors. "Limestone, lime and gypsum are available in the south and we export through Salalah port. Marble is available in the north and is exported through Sohar Port," noted Al Rawas.