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'New mining law expected to speed up processing of licences'

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Dean Cunningham, chief executive officer of Kunooz Oman Holding. - Times file picture



Muscat: The new mining law, which will be announced soon, is expected to speed up processing of mining licences and bring more clarity to help mining firms to avoid project delays, according to a top-level official of a leading mining firm.

"I believe that the ability to get access to new projects is going to be enhanced and speeded up. We would like to have clarity so that we can plan long-term projects," Dean Cunningham, chief executive officer of Kunooz Oman Holding, told the Times of Oman.

He said that a mining licence application processing time, needs to be stream lined and to be reduced to a shorter period as possible so mining companies can plan effectively, which we believe will be addressed once the new law becomes effective.

Oman's new mining law, which was recently drafted by the Public Authority for Mining (PAM) 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 (GDP).

"Oman conditions coupled with selective international standards are going to be applied. It (the new mining law) is going to give ease of investment from an international perspective. So, international companies can bring their expertise and gain access to the market. Our perception is that the process will be streamlined and user friendly and will enhance competition and access to capital," noted Cunningham.

He also said that when an international investors looks for investment opportunity in Oman, it is simultaneously looking at other projects globally. These companies opt for the best investment opportunity with least risk, best returns and the most favorable business environment, when selecting a project for development.

The Kunooz Oman chief added that presently small areas have been given to potential investors or smaller players for exploring and possible mining for minerals like gypsum, limestone and marble. However, to date these assets remain untouched and the investors have significant value expectations that cannot be met or funded due to limited size by the major mining companies here in Oman.

The new mining law is expected to be more transparent and clear to facilitate smooth transfer of these licences to companies who have technical and financial capabilities for developing mines.

Meanwhile, Kunooz Oman Holding, a leading player in mining, quarrying, transportation and construction material sectors, has applied for mining and exploration licences in three locations from the Public Authority for Mining (PAM). The plan is to go for open-cast mining in all three places, with an extensive downstream project in one location to produce value-added products.