

1) Feasibility study for whip lobster fishery from Arabian Sea off Oman

Background

The Arabian whip-lobster *Puerulus sewelli* caught during an exploratory survey in 2007-2008 in the Arabian Sea showed promising signs of a potential commercial fishery. Hence, Oman wishes to develop the whip-lobster fishery in the EEZ.

Suggested means to deliver practical cooperation:

Undertaking a suitable pre-feasibility study is proposed to provide guidance for development and investment decisions for the commercial fishery.

2) Harvest of underutilized small pelagic fisheries resources of Oman and investment opportunities.

Background

The small pelagic fishes are caught from the traditional grounds by coastal fisherman using small boats all along the Omani coast leaving the resource beyond 50m depth untapped.

The inshore demersal stocks are heavily exploited and overexploitation occurred with few fish stocks. The results of several fishery surveys conducted in Omani waters (*R. V. Fridtjof Nansen*, 1975-76; 1983-84; *R. V Rastrelliger*, 1989-90, 1995; NIWA, 2007-2008) have uniformly indicated the existence of untapped stocks of small pelagic fishes (Indian scad *Decapterus russelli*, Arabian scad *Trachurus indicus*, Indian oil sardine *Sardinella longiceps*, Anchovies *Encrasicholina spp*) in the deeper waters of the Oman Sea and Arabian Sea off Oman.

Suggested means to deliver practical cooperation:

To diversify and develop small pelagic fisheries sector, there is need to identify the suitable crafts and gears to harvest the resources in deeper waters. Experimental fishing (pelagic-/midwater trawling/purse seining or gillnetting) can be undertaken.

Australian investors can be encouraged to venture for utilization and value addition to the products.

3) Spiny lobster research

Background:

The spiny lobster *Panulirus homarus* forms a regional fishery in Oman. Due to decline in catches of lobsters in recent years, stringent management measures are enforced in the fishery. In spite of the measures, there appears no improvement in stock size. The species *Panulirus homarus* is represented by three subspecies such as *P.homarus homarus*, *P homarus megasculptus* and *P.homarus rebellus* the Indian Ocean region. It is still not clear from the available information, whether *P.Homarus* fishery of Oman is supported by a single subspecies or population. As *Panulirus* have long larval life and the possibility that recruitment results from spawning populations remote from the area fished.

Suggested means to deliver practical cooperation:

Study of larval migration and settlement from spawning area to fishing area.

Population genetic study to determine the stock structure of *P.Homarus* along the Arabian Sea Coast of Oman.

Exchange of scientists for lobster research.

4) Myctophid resources harvest and utilisation from the Oman Sea

Background:

The Sea of Oman is rich in fisheries resources with considerable quantities of mesopelagic fish especially myctophids occurring on and outside the continental slope, The importance of lanternfishes in this sea area (both Iranian and Omani sides) was indicated by studies during the International Indian Ocean Expedition during 1959-195 and subsequent surveys of *R.V.R.V. Fridtjof Nansen* and *R.V. Rastrelliger*. The estimates of abundance of mesopelagics ranged from 8 to 20 million tons in the Sea of Oman. The Omani side of the Sea of Oman was studied by the *R.V. Rastrelliger*.

Suggested means to deliver practical cooperation:

Commercial fishing of the myctophids in the Sea of Oman is suggested with suitable vessel and gear. Potential use of the harvest has to be identified.

Australian investors are encouraged.

Priority areas for IOR-ARC activities

- Study of coastal and offshore tuna resources with special reference to Oman
- Study of migration and genetic characterisation of the shared stock of kingfish in GCC waters
- Biodiversity in the seas of Oman off Oman

The submission suggests that the following point should be taken into consideration:

- 1) The changes in the global maritime arena have directly and indirectly affected the strategies and plans of international maritime transport, especially with the tremendous increase in *piracy* and *maritime* terrorism in the Indian Ocean in particular in the Gulf of Aden and west of the Indian Ocean. This has affected the international maritime traffic of ships heading toward the Africa continent.

Submission suggests the following points be taken into consideration:

- 1) Explore the possibility of investment relations with Australian to increase more support in the field of academic cooperation and research
- 2) Organize joint workshops with Australian in the fields of accreditation and quality assurance.
- 3) Increase cooperation in scientific research centres and methods of coordination between them and any other relevant bodies that benefit from the research services.
- 4) Gain more understanding of Australian expertise in the field of establishing centres or public and private establishments to provide awards to outstanding institutions in the field of research

***Suggestions and Recommendations for the Trade and Economic
Development in the Indian Ocean Region (IOR) Countries –
as per the letter dated 30th November 2011 – from the Senate –
Standing Committee on Foreign Affairs, Defence and Trade – Australia***

With reference to the terms of reference to recognize the potential for greater economic and trade development in the Indian Ocean Region, as chairperson of IOR Business Forum – Sultanate of Oman, I would like to suggest or recommend which are to be noted in. The trend and growth of important variables relating to macro-economics and trade for the countries of the IOR-ARC, along with the growth pattern of intra-regional flow between the countries of the IOR-ARC and other countries in the region. It also outlines the issues related to these aspects.

1. Trade and investment facilitation:

IOR countries creates a large market in the world economy, The ocean is rich with precious minerals and metals, marine and other natural resources, and has very vast potential of tidal energy. The countries of the Rim have significant human resources and technological capabilities. They are becoming internationally competitive in the global market and hence important in international trade. With increased connectivity, trade facilitation has emerged as a key element to spur investment and economic growth in the region. The Trade and Investment Facilitation involves adopting and implementing concrete action steps in the areas of customs procedures, inspection and quarantine procedures, trade logistics, mobility of business people, investment promotion and capacity building. It aims at achieving common development and prosperity by creating favorable environment for trade and investment, realizing a significant reduction in

transaction cost by simplifying procedures and improving efficiencies, enhancing the free movement of business people; Improving administration and management through capacity building.

Suggestions:

- First and the most is that the IOR Business Forum has to be more active to help the region to grow and prosper in a secure environment
- Strengthen Regional Chambers of Commerce and Industry along economic corridors to promote intra and inter corridors trade and investment.

2. Exchange of Technology

External assistance has played an important role in the economic development process of a large number of the countries of the region. In fact, a major portion of the financial flows to the countries of the region had been coming in the form of overseas development assistance (ODA) grants as well as concessional loans. IOR countries of the region have undertaken economic reforms and adopted the liberalisation process, and the scope of concessional assistance is showing a declining trend. The recent trend shows that the scope of the economic cooperation in terms of other financial flows like foreign direct investment (FDI) has widened in the countries of the region. Although the amount of financial flows in terms of FDI or financial institutions is not significant at present in the region, it has been showing an increasing trend. Now, a large number of countries have opened their economies and are giving incentives for financial inflow, joint ventures and technology transfers. The formation of the Economic federation will not only increase intra-regional investment flow but will provide a large market for investment in the region by non-member countries.

Suggestions :

- I suggest that the members in the Business Forum should be specialized in Business and from Chamber of Commerce & Industry of each member countries.
- I suggest that there should be a special committee for Projects grouped by specialists in various subjects, to scrutinize the project proposals, to comment and make sure the objective of the project, to evaluate the budget and expenses and also to make sure the projects are properly done to achieve the objective. Hence this committee can coordinate and submit reports to IORBF during the meeting also to IORARC Secretariat.
- More contributions and support is required from member countries either in the form of ideas or financial for the projects
- If possible and acceptable, we feel that there should be more contacts, meetings, dialogues and communication between the IORBF members.
- Exchange of visits by the member states representatives is more advisable for quick and easy follow up of the matters. Because we feel that one meeting in a year for the IORBF is not enough to implement the ideas or will not contribute much. With our past experiences, after that where we met then we don't hear much from each other until the next meeting.
- If any conferences or training courses are conducting in any member country, we appreciate them to invite other member countries and the host country should shoulder at one participant as candidate for that course by paying his air ticket (Economy class), accommodation and local transport.
- To promote technology, the member states should exchange and transform technology data by periodic newsletters, invitation for events, and updating websites Etc.

3. Economic and Trade Cooperation

The Indian Ocean Rim has substantial potential to become a zone of economic cooperation, and the advantages of making it a trade bloc would be manifold. A significant part of trade flow from the countries of the Indian Ocean is destined towards the region itself. It has been noticed that a large number of countries have shown a higher growth in the region itself than to the rest of the world. In fact, the intra-regional trade is increasing over the last few years.

Suggestions :

- I suggest if IORBF could make more cooperation with IORG, they can help much in assisting for the preparation of reports, newsletters, periodicals, project related articles.... Etc which will improve the quality of documentation.
- I suggest that IORBF should make more cooperation with Dialogue partners, even though many times it has been discussed in various forums, I suggest some body either from the IORARC Secretariat or the IORBF Chairperson should contact the dialog partners directly or through their respective embassies or missions in the country to take immediate action to make them more active and for their contribution to the business forum. And If any dialogue partner is willing to cooperate and support any project or other activities, they can be the member in the fund committee.

4. Trade Market

The countries of the IOR have increased their share in the global market at a very fast rate. The region has shown adverse balance of trade with the rest of the world. Trade deficit continues to be alarming for Asian and African countries. If appropriate measures are not taken to arrest the grouping

trade deficit, the countries, particularly, in the African segment, may plunge into serious macro-economic crises. The trade pattern of the IOR region shows that these sub-regions have more trade with developed countries than developing ones. Moreover, each segment of the IOR has favorable balance of trade with developing countries and adverse trade balance with developed countries. The countries in the region are relatively more dependent on developed countries' imports than exports.

Suggestions :

- I suggest IORBF should concentrate on various important market sectors especially in Tourism as Tourism is the great resources and an important element of each country's marketing strategy and also improve marketing outcomes for the country. As the first phase of the tourism feasibility study has been completed by Grant Thornton – India with the coordination of Oman Chamber of Commerce and Industry, IORBF should concentrate and support for the second phase of the detailed study.
- If the special committee has been formed in IORBF with specialized experts to focus the IOR ARC countries project related, the committee can study and recommend as per each country's market based economy to improve the trade and development of that country.

5. Export and Import Trend:

The growth performance of the region and its sub-regions indicates that both exports and imports have increased at a faster rate with developing countries as compared to similar indices for the world as a whole. The IOR-ARC region has not only shared the major segment of the total trade of the IOR but grew at a rapid rate. This trend is equally applicable to both exports and imports of the sub-regions.

Suggestions :

- To promote export and import, also trade promotion between IOR-ARC Countries, each member countries should take initiative to conduct trade events such as international fairs, workshops, conferences and shows & exhibitions - on trade / food / pharmaceutical / telecommunication products / infrastructures- building and construction / minerals and stones. Etc.... and also to invite other member countries to participate in those events.
- Exhibitions and promotion should be based on IORARC countries, and are to be conducted like the exhibition which Sultanate of Oman has conducted in 1998.

6. Economic Arrangements and Process

One of the pressing issues before the IOR countries has been the issue of identification of the most appropriate form of economic arrangement that the IOR will make in due course of time. In various forums, alternative forms of regional cooperation have been discussed.

Among the various forms of economic cooperation discussed, some arrangement like trade and investment facilitation process, preferential tariff arrangement (PTA), a simple form of regional arrangement with mutual investment and technology to reduce cost of tradable products within the region, .. etc assume much importance for the formation of the IOR. In the case of a PTA type of arrangement, the nations have to rationalize their domestic tariff structure for imports from other member countries in the region. In a regional bloc where many traded commodities enjoy absolute cost comparative advantage, a simple form of regional economic cooperation with rationalization of trade policies and systematic elimination of trade impediments will create new avenues for trade. In a comprehensive regional

cooperation in trade, investment and technology, the level of cooperation is much wider in its scope, and the central objective of the arrangement will be to reduce the cost of tradable products through scale economies and expansion of the market. The commodity approach to regional cooperation refers to an arrangement in which certain important tradable commodities in the region are chosen for tariff cuts by the participating countries. In the sectoral approach, regional cooperation is made in certain priority sectors which are considered to be vital for the region as a whole.

Suggestions :

- IORBF should meet more than one time during a year like the first IORBF Meeting which was held two times in the year 1998, the second time was held in Oman in the same year.
- The IORBF's portfolio of activities should add wide ranging programs that showcase as a preferred location for business, trade, tourism and living.
- As a guide to IORBF marketing and promotional activities, IORBF should focus on Awareness campaigns to the travel trade and consumers, Trade and consumer educational and tactical campaigns, Events marketing and promotions - including regional and national events , E-Marketing, Travel trade and consumer shows and exhibitions- including exhibition coordination for hotels, tour companies and tourism service providers, Regional tourism marketing and promotion- with Governorates and event organizers ...etc
- To achieve and to bring substantial economic benefits to local communities and international communities, IORBF should promote

the government and the private business sectors of IOR ARC Countries, to increase its recognition as a high quality business supporting agency in its own right.