



BP Middle East

BP Oman Social Investment Report 2016

Khazzan Project for SME Development



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About BP Oman

BP Exploration (Epsilon) Ltd (BP) has signed an exploration and production sharing agreement (EPSA) for deep tight gas reservoirs in Block 61 in the northern part with the government of the Sultanate of Oman, ratified by Royal decree number 11/2014 issued on February 13, 2014.

BP's social investment strategy in Oman aims to support sustainable socio-economic development in the country and in the areas near to BP's projects and operations

BP Social Investment Projects Objectives

- Showing BP's on-going commitment to develop the local communities
- Showcasing BP's role in addressing major development issues
- Contributing to Oman's socio-economic growth
- Minimize the % of job seekers in the community
- Help elevate the performance of existing small businesses
- Build the capacity of locals
- Complement existing initiatives that provides support to SMEs
- Identify and fill the gaps in specific areas
- Add quality and value to the existing programs
- Strengthen relations with stakeholders and key organizations/people in the field



Supporting Organizations

The Enterprise Development Programs were supervised by Sharakah and delivered in association with several organizations from the public sector and private sector.

Ministry of Oil and Gas

Is the governmental body in the Sultanate of Oman responsible for developing and implementing the government policy for exploiting the oil and gas resources in Oman.

Oman Oil Company

Oman Oil Company S.A.O.C. (OOC) is a commercial company wholly owned by the Government of the Sultanate of Oman. The Company was incorporated in 1996 to pursue investment opportunities in the energy sector both inside and outside Oman. Through participation in energy and energy related projects, the Company plays an important role in the Sultanate's efforts to diversify the Omani economy and to promote Omani and foreign private sector investment.

The Public Authority for SME Development (Riyada)

The Public Authority for Small & Medium Enterprises Development (Riyada) is the Sultanate of Oman's arm for the development of small and medium enterprises and the strengthening of their contribution to the local economy through a wide range of business advisory services and training programs.

Riyada was established as the Public Authority for Small & Medium Enterprises Development as per Royal Decree No. 36/2013, whereby it enjoys financial and administrative autonomy and is headquartered in the Muscat Governorate with the right to establish branches in other governorates according to a resolution from its board of directors.

Oman Chamber of Commerce & Industry (OCCI)

Chamber of Commerce & Industry (OCCI) was established on the 15th of May, 1973 as a public utility establishment that aims at regulating commercial and industrial interest and represent it in addition to protecting it in different fields.

The Office of the Governor of Ad Dakhiliya

The Office of the Governor of Ad Dhahirah

Sharakah

Sharakah, officially known as Fund for Development of Youth Projects was established by a Royal Decree in 1998 for the sole purpose of supporting Small and Medium Enterprises (SMEs). Sharakah provides Financial Support and Post-Financial Support to SMEs.



Inspired Solutions

Inspired Solutions was incorporated in the Sultanate of Oman in early 2012, the head office is in Muscat, Oman. The company is owned and managed by William R. Crew, an SME (Small and Medium Sized Enterprises) credit expert with over 20 years of hands-on experience as a credit and investment practitioner in the Middle East, Eastern Europe, Africa, and the United States.



Overview of the Program

Sharakah and Inspired Solutions collaborated with BP to implement the SME Development Program. The project consisted of training and upgrading the skills of 26 SME business owners and awarding 19 of them seed capital grant from BP to be used for business expansion.

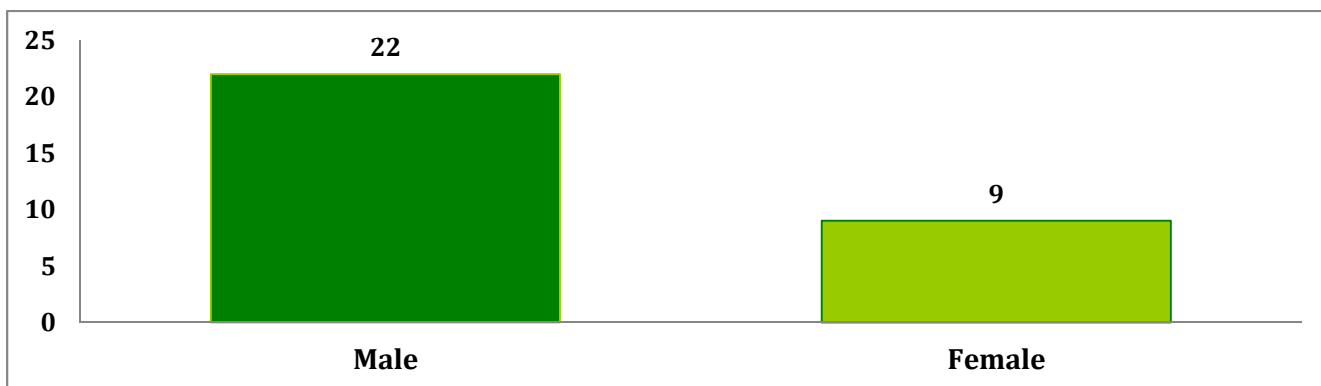
Project Goals and Objectives

- 1- Showing BP's on-going commitment to develop the local communities
- 2- Showcasing BP's role in addressing major development issues
- 3- Contributing to Oman's socio-economic growth
- 4- Increase the number of jobs created through Local SMEs
- 5- Help elevate the performance of existing small businesses
- 6- Build the capacity of locals
- 7- Complement existing initiatives that provides support to SMEs
- 8- Identify and fill the gaps in specific areas
- 9- Add quality and value to the existing programs
- 10- Strengthen relations with stakeholders and key organizations/people in the field

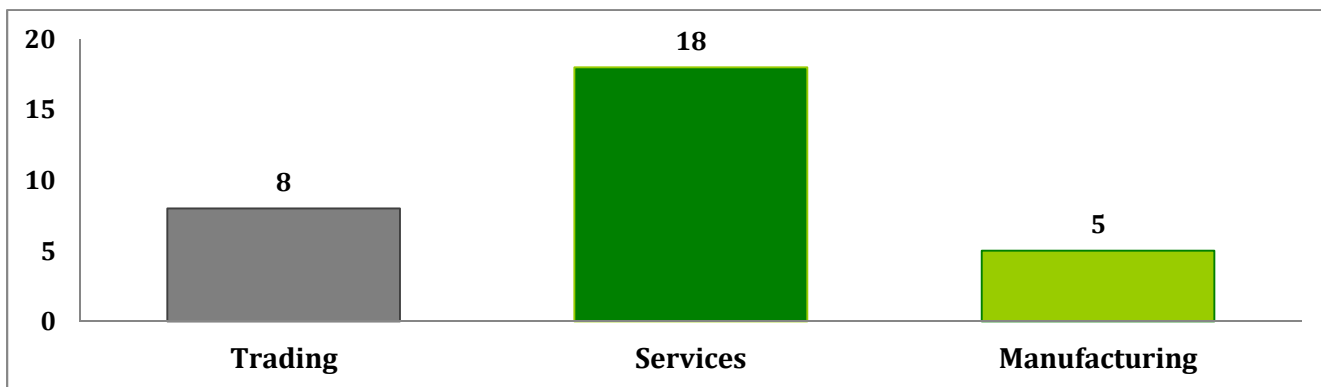


Achievements

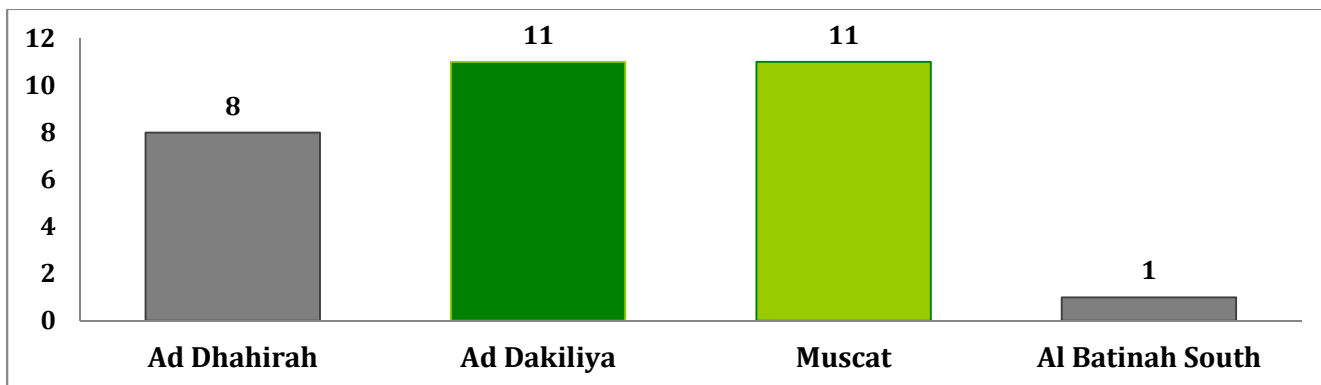
More than 60 business owners SMEs registered to be part of this program. Out of which 31 were enrolled in the program and 19 completed the program successful and received a grant from BP.



Most of the SMEs who participated in the program represented the services sectors.

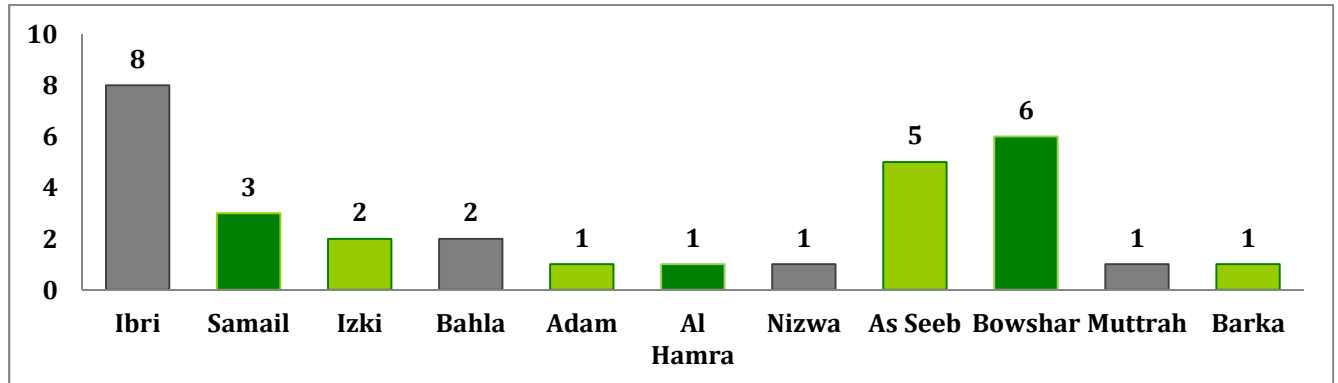


These businesses are located in the governorates of Ad Dhahirah, Ad Dakhiliya and Muscat with one exception of a business originally located in Al Batinah South but joined the Muscat group.





The majority of these business were from Willayat Ibri



Those who have completed the training program accomplished the following:

- 1- Developed a business growth plan
- 2- Developed an Income statement for 2015 and a projected income statatemtn for 2016
- 3- Developed a projected cash flow statement for 2016
- 4- Received a grant from BP worth OMR 5,000
- 5- Identified areas for improvement and allocated the grant purely for business expansion
- 6- Learned the importance of planning, marketing, branding and budgeting.



1) Basateen Al Shar'a

Willyat Ibri, Governorate of Ad Dhahirah

Type of Business

Processing and Selling of Dates

Business Owner

Saleh Saeed Abdullah

Business Brief

Basateen Al Shara'a was incorporated in 2001. Saleh started the business after he took an early retirement from the military services.

Benefits of Attending the Program

Saleh values what he has learned from the program which includes:

- Learned great deal about the importance of Customer Care
- Importance of Budgeting
- Branding and Marketing

Usage of the Grant

Saleh intends to purchase 2 new machines that will help him increase his production that includes:

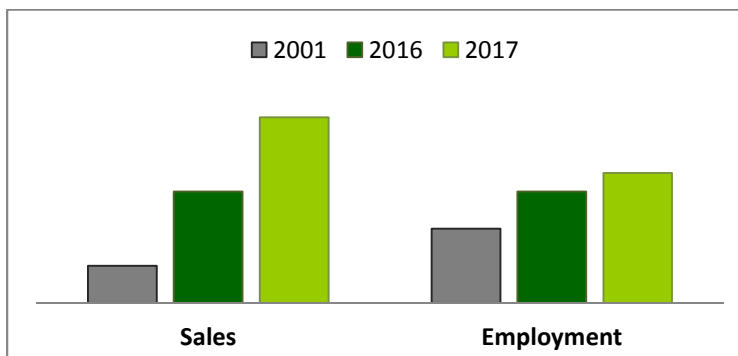
- Packaging and Wrapping Machine
- Dates Seed Removing Machine

Achievements

The business has already been running for 15 years and has witnessed an increase in annual sales over the years. Apart from processing and selling dates, the owner sells other local produce including farm processed gee, Omani coffee and nuts.

The business currently employees 2 Omanis and 4 expatriates on full time basis including the owner. Sales have increased over the past 15 years.

Figures have been removed at the request of the business owner.





2) Qasr Al Sharq Furniture

Willyat Ibri, Governorate of Ad Dhahirah

Type of Business

Furniture Trading and Manufacturing

Business Owner

Nasser Hamed Al Balushi

Business Brief

Qasr Al Sharq Furniture was incorporated in 2011. It sells custom-made sofa sets, curtains, tables and seats.

Benefits of Attending the Program

Nasser values what he has learned from the program which includes:

- How to be more organized.
- Started using Microsoft Excel sheets for his accounts.
- How to advertise and market effectively.

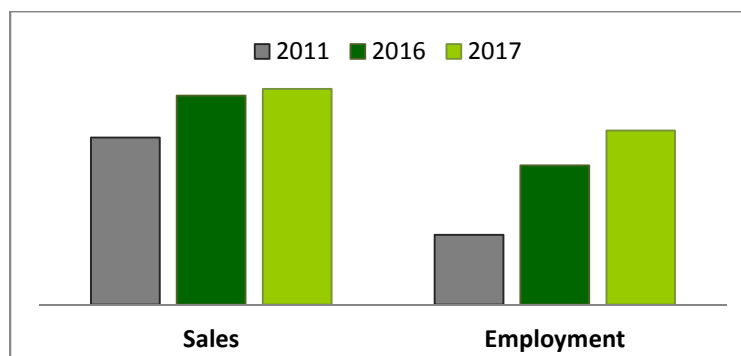
Usage of the Grant

Nasser has plans to establish a carpentry workshop to accommodate the demand he gets from his clients. He would require additional machines and some civil work for the workshop.

Achievements

According to Nasser, annual revenues are between OMR 240,000 and 300,000. The business employs 25 workers apart from the owner.

Figures have been removed at the request of the business owner.





3) Manahel Al Maarifa Training Services

Willyat Ibri, Governorate of Ad Dhahirah

Type of Business

Training Institute

Business Owner

Mahmood Hamdan Al Ghafri

Business Brief

Manahel Al Maarifa is a training institute that offers language, computer skills and office management courses. It has been running successfully for 2 years.

Benefits of Attending the Program

Mahmood learned a great deal from the program:

- He learned how to develop strategies
- How to develop and maintain records of financial transactions

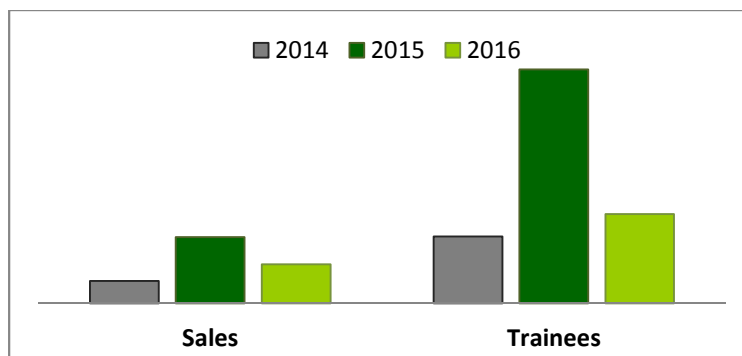
Usage of the Grant

Mahmood has already utilized the grant to shift from the old location to a new location where he enjoys better facilities like fiber optic high speed Internet services.

Achievements

Sales have increased during the 2 years of operation. Earlier the institute had only 1 training hall, now it has 3 and has managed to train more than 580 individuals since 2015.

Figures have been removed at the request of the business owner.





4) Zuhoor Abha Plantation

Willyat Ibri, Governorate of Ad Dhahirah

Type of Business

Plantation for Indoor and Outdoor Plants

Business Owner

Hamed Al Shimli

Business Brief

Hamed owns a plantation serving Willayat and neighboring villages. The business has been operating for 10 years.

Benefits of Attending the Program

Hamed appreciates the program which has helped him to learn more about:

- Accounting and Day to Day Administration

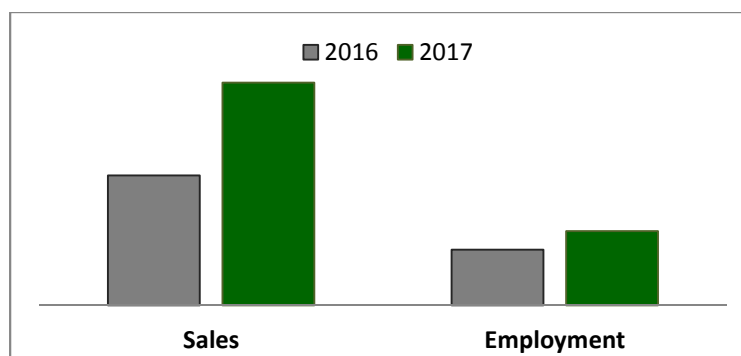
Usage of the Grant

Hamed plans to install an automated irrigation system and to purchase some materials that would enable him to offer landscape decoration services.

Achievements

Demand for such services is increasing in Ibri and Hamed is expecting his sales to double in the coming years.

Figures have been removed at the request of the business owner.





5) LuLuwat Al Ibdaa

Willyat Al Hamra, Governorate of Ad Dakhiliya

Type of Business

Fashion Designer and Tailor

Business Owner

Xxx Al Abri

Business Brief

LuLuwat Al Ibdaa is a homebased business owned by xxx Al Abri. The business continues to operate moderately since 2006 offering tailoring services to community members in the neighborhood.

Benefits of Attending the Program

Xxx appreciates the program and she has learned to:

- Maintain accounts
- Separate personal accounts and business accounts
- Branding and Marketing

Usage of the Grant

Xxx plans to buy raw materials to design and stitch women handbags.

Achievements

The business is at an average performance and is expected to improve now that the owner has learned more about business management.



6) Car Garage

Willyat Izki, Governorate of Ad Dakhiliya

Type of Business

Car Garage

Business Owner

Hashim Al Saqri and Saeed Al Saqri

Business Brief

Hashim and Saeed are two brothers who have been working for many years in car garages. A year back they decided to establish their own. Business is expanding as they explained and their customers appreciate that they get an Omani technician to explain technical car issues.

Benefits of Attending the Program

Both Hashim and Saeed appreciate what they have learned from the program:

- Separated personal account and the business bank account
- How to manage the business on a day-to-day basis

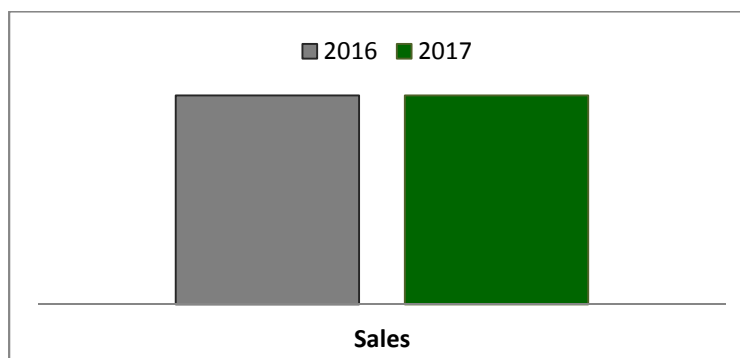
Usage of the Grant

Hashim and Saeed are planning to buy more machines and equipment that will be used to fix the vehicles.

Achievements

The business is making decent income, enough to cover running costs and pay for salaries. With a clear marketing plan, they expect the business to increase its client base.

Figures have been removed at the request of the business owner.





7) Wardat Al Wadi Al Wataneyah

Willyat Samail, Governorate of Ad Dakhiliya

Type of Business

Selling of Doors

Business Owner

Jameela Al Siyabi

Business Brief

Jameela is an ambitious business women. She started her business in 2013 after quitting from a company which was offering the same product.

Benefits of Attending the Program

As a result of enrolling in the program:

- Decided to open a separate business bank account.
- Importance of Budgeting and Bookkeeping

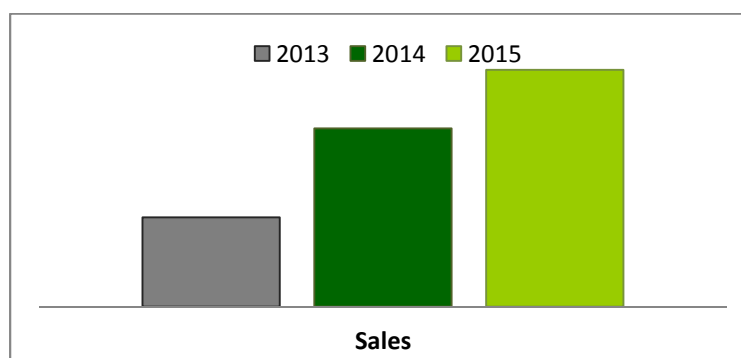
Usage of the Grant

Jameela plans to buy a new pick truck to serve more customers. Her business operations shows an increase demand.

Achievements

The business has witnessed a steady growth in the past 3 years. Jameela has approached the concerned authority to obtain a land where she can establish the factory.

Figures have been removed at the request of the business owner.





8) Global Chrome Company

Willyat As Seeb, Governorate of Muscat

Type of Business

Assembling of Flanges and Oil Fields technical Services

Business Owner

??? Al Rawahi

Business Brief

??? Al Rawahi is an engineer who has more than 12 years of experience in the Oil and Gas sectors. He decided last year to quit his full time job at ?? in order to focus on setting up his own business. The business is fairly new, it has been operating for 6 months only.

Benefits of Attending the Program

Al Rawahi confirms that he learned a lot about market research and marketing during the program. An area that he believes needs an improvement in his business.

Usage of the Grant

Al Rawahi decided to upgrade the standard of operations in his business and as a means to adopt quality standards by becoming ISO certified.

Achievements

Global Chrome has been able to survive and cover its running cost despite the economic downturn. Al Rawahi's focus in the first 6 months was on making sure that the business is built on solid foundation.



9) Bella Luna

Willyat As Seeb, Governorate of Muscat

Type of Business

Film Production

Business Owner

??? Al Menji

Business Brief

Bella Luna was established by 3 enthusiastic young Omani entrepreneurs. It has been running successfully for 2 years. The company specializes in photography and videography of corporate as well as social events.

Benefits of Attending the Program

BP Project for SME Development has helped the company to:

- Develop a strategic plan for the future
- Develop a cash flow projections

Usage of the Grant

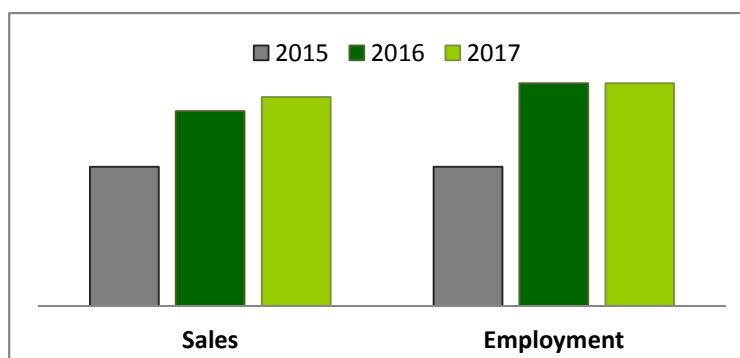
Bella Luna is expanding and would use the grant given to:

- Setting up the new office
- Purchasing furniture

Achievements

The owners of Bella Luna started the business without any financial support. They have managed in 2015 to make revenues exceeding OMR 50,000. Currently they are 5 staff all Omanis and they expect to be 8 by next year.

Figures have been removed at the request of the business owner.





10) Itlalat Al Majd Nursery

Willyat Bowshar, Governorate of Muscat

Type of Business

Nursery

Business Owner

Shuwaina Al Aرامي

Business Brief

Shuwaina has been running the business on behalf of the owners for several years until she decided to take over the business and offered a deal to the original owners.

Benefits of Attending the Program

Shuwaina learned important elements in business management including:

- Finance and Accounting
- How to identify the target market
- Rearranging resources to increase income

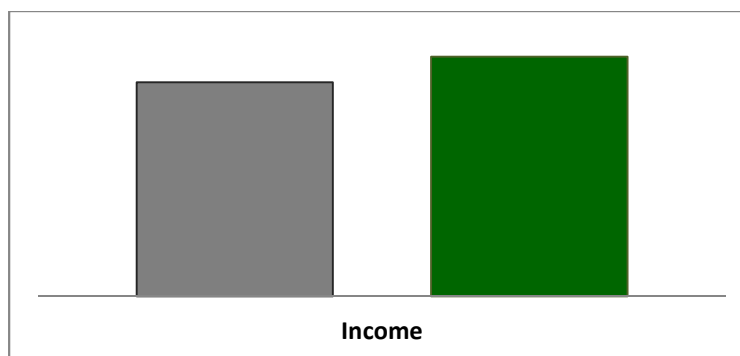
Usage of the Grant

The grant provided by BP will be used to perform complete maintenance of the facilities and for purchasing additional educational materials and toys for kids.

Achievements

Business performance has improved since Suwaina took over. There are recurring clients who also act as referrals for newer clients. In 2015, they have made revenues exceeding OMR 67,000 and in 2016 they are performing even better.

Figures have been removed at the request of the business owner.





11) Majan Views Tourism

Wilyat Bowshar, Governorate of Muscat

Type of Business

Tourism Services

Business Owner

Sulaiman Al Qassabi

Business Brief

Sulaiman Al Qassabi has been working as a tour operator in a mid-size company for several years until he decided 4 years back to establish his own having gained enough experience in developing tour programs.

Benefits of Attending the Program

Sulaiman values what he has learned from the program which included:

- Strategic planning
- Accounting and Budgeting

Usage of the Grant

Sulaiman is planning to expand his business and intends to purchase 2 used 4WD vehicles and recruiting additional staff.

Achievements

Sulaiman has invested in a professional website which has attracted tourists from European countries to avail the services. The business is running steadily for 4 years now.



12) Digital Orbit Enterprise

Willyat Bowshar, Governorate of Muscat

Type of Business

Telecommunication Services

Business Owner

Yousuf Al Anqoodi

Business Brief

Yousuf graduated from the Higher College of Technology and joined Armed Forces where he worked several years as a Network Technician. His high ambition has led him eventually to establish his own business.

Benefits of Attending the Program

Yousuf was interested to join the program to learn more on:

- How to maintain the business accounts
- How to develop and implement a marketing strategy

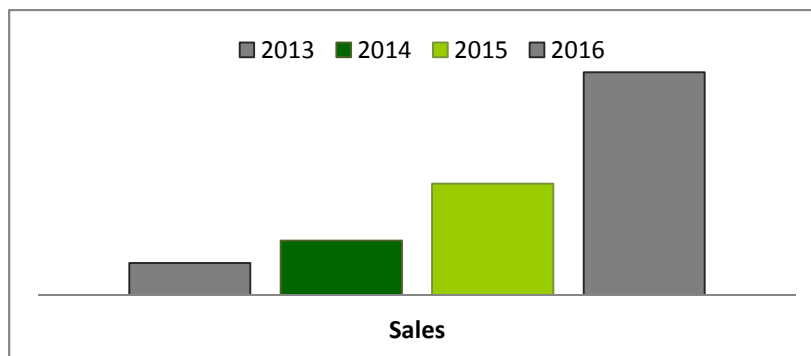
Usage of the Grant

Yousuf plans to purchase additional equipment that will help him offer more services to his clients. At the moment some of the equipment he uses for diagnosing network issues are on rental basis.

Achievements

The business has been growing steadily over the past 4 years. He is expecting to touch OMR 100,000 sales in 2016.

Figures have been removed at the request of the business owner.





13) Surf Sup

Willyat Muttrah, Governorate of Muscat

Type of Business

Selling of Surfing Board and Organizing Surfing Trips

Business Owner

Murtadha Al Lawati

Business Brief

Murtadha is an active surfer who appreciates and enjoys what Oman can offer to adventures tourists. He started selling surf board based on personal interest soon to realize that there is great potential in the field.

Benefits of Attending the Program

Murtadha appreciates the program which has helped him to develop a cash flow system to maintain his account.

Usage of the Grant

The business thus far has been operating online. Murtadha plans to use the gran to:

- Set up the office space
- Get a tourism license
- Hire a sales person

Achievements

The business is fairly new, but has managed to attract the attention of surfers and adventure tourists. Murtadha has tied up with a surf board manufacturer to produce customized surf boards that suits the local taste.



14) Ithbat

Willyat Bowshar, Governorate of Muscat

Type of Business

Training Services

Business Owner

Nasser Al Toubi

Business Brief

Nasser worked at the Ministry of Education for many years than decided to take an early retirement and follow his passion to build capacity of Omanis. His business offers a number of training programs tailored for youngsters and startups.

Benefits of Attending the Program

The program has helped Nasser to develop a clear road map for his strategy and to link that with the business financial performance.

Usage of the Grant

Nasser plans to use the grant to cover the working capital for several months and to introduce a new training program.

Achievements

Ithbat is fairly new in the market. They have recently acquired an office space at Riyada Incubation Program.



15) Nafath Renewable Energy

Willyat Bowshar, Governorate of Muscat

Type of Business

Renewable Energy Solutions

Business Owner

Abdullah Al Saidi

??

??

Business Brief

Nafath Renewable Energy was established by 3 young Omanis who pursued their dream of owning their own business immediately after graduation.

Benefits of Attending the Program

Abdullah values what he has learned from the program which includes:

- Importance of Budgeting
- Strategic Planning

Usage of the Grant

Nafath plans to use the grant to:

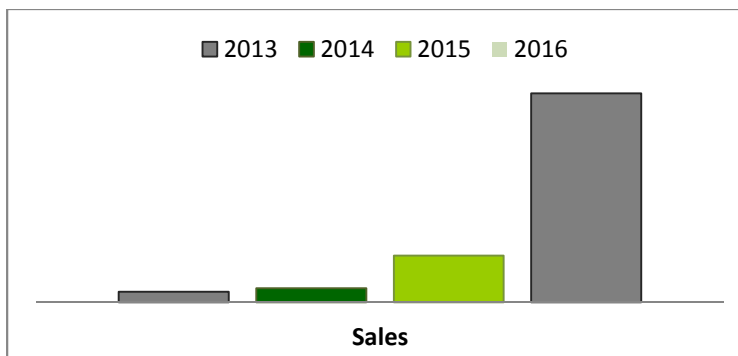
- Participate in a regional exhibition that would help promote their business
- Buy additional software
- Produce a promotional film

Achievements

Nafath Renewable Energy has been running for 4 years. The first 2 years were tough but business started to grow in 2015. Sales have quadrupled over the years.

Nafath has received several local and regional awards including Riyada Award for best small business in 2015.

Figures have been removed at the request of the business owner.





16) iCommunicate

Willyat Bowshar, Governorate of Muscat

Type of Business

Speech Therapy and Hearing Aid

Business Owner

Najah Al Abdul Salam

Business Brief

Najah is a certified Speech Therapist who has been practicing the profession for many years. She decided 5 years back to start this business as she believes that such professional services are very much needed in the community.

Benefits of Attending the Program

Najah appreciates that 1-to-1 sessions that offered an opportunity for her to share the challenges that she face and to hear the professional advice of a business analyst.

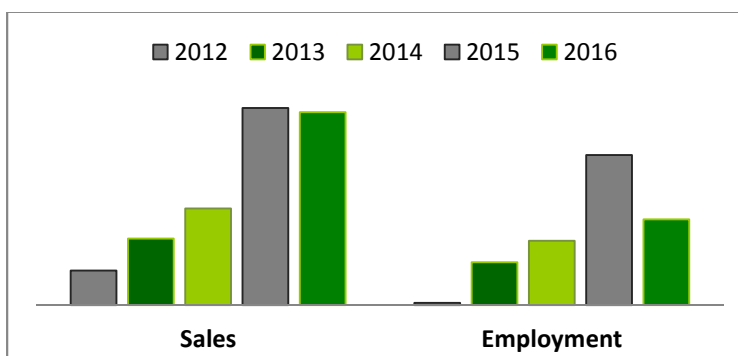
Usage of the Grant

Najah plans to use the grant to activate the marketing plan that she developed and to hire additional staff.

Achievements

Despite many challenges, iCommunicate has been growing steadily over the past 5 years. There is visible growth in income.

Figures have been removed at the request of the business owner.





17) Basateen Al Shar'a

Willyat Ibri, Governorate of Ad Dhahirah

Type of Business

Processing and Selling of Dates

Business Owner

Saleh Saeed Abdullah

Business Brief

Basateen Al Shara'a was incorporated in 2001. Saleh started the business after he took an early retirement from the military services.

Benefits of Attending the Program

Saleh values what he has learned from the program which includes:

- Learned great deal about the importance of Customer Care
- Importance of Budgeting
- Branding and Marketing

Usage of the Grant

Saleh intends to purchase 2 new machines that will help him increase his production that includes:

- Packaging and Wrapping Machine
- Dates Seed Removing Machine

Achievements

The business has already been running for 15 years and has witnessed an increase in annual sales over the years. Apart from processing and selling dates, the owner sells other local produce including farm processed gee, Omani coffee and nuts.

The business currently employees 2 Omanis and 4 expatriates on full time basis including the owner. Sales have increased over the past 15 years.

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