



# Integrated Country Strategy

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Oman

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## 1. Chief of Mission Priorities

The Middle East and North Africa (MENA) region continues to present some of the most pressing challenges to U.S. national security. Our long-standing and multi-faceted partnership with Oman plays an important role in addressing these challenges through a whole-of-government effort to advance stability and security in Oman and across the Gulf region. Our Mission will continue to manage the effects of an ongoing Qatar crisis, the war in Yemen, threats from terrorist groups, and Iran's support for destabilizing activities in the region. We will continue to counter the full range of Iranian threats in the region and closely monitor how differing views on Iran's malign activities affect intra-Gulf Cooperation Council (GCC) relations and heighten tensions between the GCC states and Iran.

U.S. interests in Oman are to promote regional security and stability by partnering with the Omani government to resolve regional conflicts, combat terrorism, and halt the proliferation of weapons of mass destruction. We also seek to promote increased bilateral trade and investment as we continue to identify and help eliminate trade barriers and impediments to business development as Omani and U.S. companies alike take full advantage of the Free Trade Agreement and the Science and Technology Cooperation Agreement. We remain intent on building public trust and confidence in the United States as a partner for the shared goals of prosperity and stability for Oman and the broader region. These interests will shape the Mission's goals for at least the next three years, consistent with the wider goals articulated in the National Security Strategy, the State-USAID Joint Strategic Plan, and the NEA Bureau's Interim Joint Informational Framework.

Oman's longstanding strategic partnership with the United States is critical to our national security objectives, to include countering terrorism and promoting regional security. Oman is a key partner in efforts to resolve regional conflicts, and Oman's balancing role between the other Gulf States and Iran offers both challenges and opportunities for U.S. diplomacy. Oman's internal stability depends on a mixture of providing requisite defensive capabilities and implementing a robust and actionable economic diversification strategy – actions that the United States can and will continue to support. Domestic stability will also depend on the Sultanate's ability to transition smoothly from the current regime to Sultan Qaboos's eventual successor; a key factor that the Mission is monitoring closely.

The Mission will continue to focus on deepening our partnership with the Omani government at all levels to advance the multi-faceted objectives articulated in this document. Our robust partnership with the Omani government on resolving regional conflicts, countering terrorism, and expanding military cooperation have been the main hallmarks of our strong relationship with the Sultanate. We will take that relationship to the next phase by creating actionable strategies with the Omanis related to economic development, science and technology advancement, and public diplomacy cooperation. Oman's geostrategic location directly benefits

our national security and commercial interests through our use of Oman's military bases and commercial ports. We aim to expand access, increase interoperability, and assist the Omani law enforcement, security, and armed forces sectors' capacity to address regional and transnational threats. We will deepen defense and law enforcement relations through continued exercise engagement and policy coordination, training programs, and defense sales. We will seek to conclude a new Framework Agreement with the Omani military in line with our efforts to increase access as well as interoperability mechanisms, and build additional capacities for the Omani military and civil agencies to combat threats to security and commerce. We will seek expanded law enforcement cooperation to improve Oman's ability to tackle transnational crimes that directly affect U.S. interests, including terrorism, human trafficking, narcotics smuggling, and the illicit proliferation of weapons. Stable and secure conditions lower the risks and costs for U.S. companies and other organizations that are considering investments, exports, or expanding their presence in Oman.

Economic engagement with Oman to promote shared prosperity and sustainable economic growth remains one of the Mission's top priorities. Oman's economic health remains heavily dependent on revenues from oil and gas exports. Difficult to extract oil reserves, vulnerability to downward trends in oil prices, a bloated public sector, and a burgeoning youth population seeking employment are major challenges for Oman's economy, prosperity, and domestic stability. These challenges highlight the importance of continued security assistance funding to aid Omani government efforts to maintain stability amidst an economic downturn. In this context, we will seek to support the U.S. and Omani private sectors and Omani government efforts to expand economic and investment opportunities, improve Oman's business climate, and release the potential of entrepreneurs. Building on the opportunities of our bilateral FTA, the United States is uniquely positioned to support Oman and the U.S. private sector in this regard. While Omani bureaucratic challenges to FTA implementation remain, we will press for the FTA's full use to promote sustainable growth and to ensure U.S. firms have fair access to the Omani market. Likewise, we will continue to partner with the Omani government as well as private business, to include the Oman American Business Center/AmCham, in the effort to increase U.S. awareness of the Omani market.

Achieving our policy goals in Oman will only be possible if Oman perceives the United States as a credible and reliable partner. Educational, cultural, and academic exchanges as well as sustained public engagement remain effective ways to create confidence and trust in all bilateral relationships, including with Oman. The Omani government's constraints on our public diplomacy programs and outreach efforts will require the Mission to target areas that support the Sultanate's objectives for Oman's economic development. For example, we will focus on education and training opportunities that enhance employability and professional options, and build indigenous technical capacity and expertise.

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The Mission's ability to achieve U.S. policy objectives in Oman will be directly linked to our security posture, consular services, management and resource platforms. We must have the financial and human resources required to protect and meet the professional needs of all Mission personnel, in addition to providing adequate facilities for Mission staff. With these resources in place, the Mission will be better positioned to pursue our stated objectives effectively.

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## 2. Mission Strategic Framework

**Mission Goal 1:** The U.S.-Oman strategic partnership promotes security and stability in Oman, the region, and globally.

**Mission Objective 1.1:** Expand U.S.-Omani engagement to help increase Oman's capacity to fight terrorism, strengthen its institutions, protect its borders and infrastructure, and promote regional stability.

**Mission Objective 1.2:** Improve protection of U.S. citizens, property, and interests (both in Oman and transiting from Yemen) through identification of, and engagement with, key public and private partners.

**Mission Objective 1.3:** Leverage Oman's strategic location to provide operational flexibility to the U.S. military through enhanced basing, access, and interoperability of forces.

**Mission Goal 2:** Expand economic partnership to enhance security and promote sustainable growth.

**Mission Objective 2.1:** Increased U.S. penetration of the Omani market through commercial advocacy, trade delegations, Free Trade Agreement (FTA) awareness, and engagement with the Government of Oman on trade concerns through awareness campaigns, education, and encouragement of reduction of bureaucracy.

**Mission Objective 2.2:** Increased capacity to grow Oman's private sector and to diversify beyond oil and gas through public outreach and awareness campaigns, education, and encouraging reduction in bureaucracy.

**Management Objective 1:** Support long-term Mission growth.

**Management Objective 2:** Ensure the Mission's communications infrastructure promotes efficiency by enhancing existing systems and adopting new technology.

### 3. Mission Goals and Objectives

**Mission Goal 1 The U.S.-Oman strategic partnership promotes security and stability in Oman, the region, and globally.**

**Description and Linkages:** This goal aligns with the NSS's Military and Security priorities for the Middle East region. It also supports the State-USAID 2018-2022 Joint Strategic Plan, Goal 1, Objectives 1.2 and 1.4, and Goal 3 of the Near Eastern Affairs Joint Regional Strategy. The mission will seek to improve and enhance relationships and interoperability with Omani armed forces and police, key partners in maintaining a secure and stable region.

**Mission Objective 1.1 Expand U.S.-Omani engagement to help increase Oman's capacity to fight terrorism, protect its borders and infrastructure, and promote regional stability.**

**Justification:** Oman is a critical and strategic partner for the advancement of U.S. national security goals in the region, including countering terrorism and violent extremism, neutralizing the full range of Iranian threats, and promoting regional stability. Utilizing an interagency approach, the Mission will engage the Omani armed forces at the strategic and tactical levels with exercises and training opportunities to build capacity and increase interoperability. Likewise, we will engage Omani justice system professionals to develop advanced skills and increase cooperation on counterterrorism and counter proliferation efforts, ensuring such programs emphasize the importance of human rights protections. Finally, we will continue to engage civilian policymakers on legal and regulatory frameworks and policies to tighten Oman's counter proliferation regime, enhance U.S. defense cooperation and access, and secure Oman's support for U.S. regional security objectives. The risk of not achieving this objective is decreased regional stability.

**Mission Objective 1.2 Improve protection of U.S. citizens, property, and interests (both in Oman and transiting from Yemen) through identification of, and engagement with, key public and private partners.**

**Justification:** Due to the ongoing conflict in Yemen, the Consular section routinely works with the MFA and ROP to facilitate the safe travel of U.S. citizens and their families across the Yemen-Oman land border. The rate at which U.S. citizens are leaving Yemen via Oman has increased as it has become more difficult to escape from other countries. In addition, the Embassy has been instrumental in the repatriation of several U.S. citizen hostages and detainees from Yemen who transited Oman on their way back to the United States. The Consular section will continue to engage key contacts in the Ministry of Foreign Affairs and the Royal Oman Police to provide better services and increased responsiveness to U.S. citizens. The consular section will also increase outreach efforts to the American community in Oman to ensure U.S. citizens understand the services, information, and resources available to them and

how they can access information relevant to their security via Post's web page and social media. Through the Overseas Security Advisory Council, the Regional Security Office will engage with private U.S. companies, non-governmental organizations, and educational institutions to further share security information and guidance. A lack of engagement with these partners would significantly increase risk to U.S. citizens, property, and interests.

**Mission Objective 1.3** Leverage Oman's strategic location to provide operational flexibility to the U.S. military through enhanced basing access and interoperability of forces

**Justification:** Oman is geographically situated to support U.S. military contingency planning and offers attractive logistics options for regionally based forces. With Indian Ocean ports along the major trade routes and the development of robust maritime infrastructure and new air bases, Oman plays a critical role in regional contingency operations. Mission will make full use of opportunities presented by IMET and other grant programs to enhance the professional military education of the Omani armed forces and support the FMS process, including commercial advocacy, to enhance U.S.-Omani interoperability. Weakened U.S. – Omani military ties pose a risk to U.S. interoperability in an important theater.

**Mission Goal 2: Expand economic partnership to enhance security and promote sustainable growth.**

**Description and Linkages:** This goal aligns with the NSS's Pillar 2, as well as the Economic Priorities for the Middle East region. It also supports the State-USAID 2018-2022 Joint Strategic Plan, Goal 2, Objectives 2.1 and 2.2, and Goal 1 of the Near Eastern Affairs Joint Regional Strategy. Recognizing the link between economic prosperity and political stability, the mission will seek to bolster trade institutions, cooperate to enhance Oman's health, education, and scientific sectors, and advocate for conditions supportive of American investment and business opportunities.

**Mission Objective 2.1 Increased U.S. penetration of the Omani market through commercial advocacy, trade delegations, Free Trade Agreement (FTA) awareness, and engagement with the Government of Oman on trade concerns through awareness campaigns, education, and encouragement of reduction of bureaucracy.**

**Justification:** Entry into force of the U.S.-Oman Free Trade Agreement (FTA) in 2009 cemented the bilateral trade relationship. Since then, numerous trade delegations in the United States and Oman have helped build relationships important to increasing market awareness on both sides. Significant investments of money and time prove that both countries are committed to prosperity and sustainable growth. Building on these relationships and deepening ties will help U.S. business penetrate the Omani market with new products and services. Addressing lingering trade concerns with Oman's Ministry of Commerce and Industry and the Royal Oman Police



Customs Department will continue to be a Mission priority to remove outstanding barriers to full use of the FTA. Additionally, the Mission will work in concert with Oman's export promotion agency, "Ithraa," and the Oman-American Business Center (OABC), and utilize traditional and social media to conduct outreach to the Omani business community on the benefits and opportunities of the FTA. The Mission will also continue its close cooperation with the Ministry of Foreign Affairs and Ministry of Environment and Climate Affairs to conduct trade-related environmental cooperation to implement the Environment Chapter of the FTA. A weakened bilateral trade relationship would hurt the Omani economy and, in turn, U.S. business interests in Oman.

**Mission Objective 2.2 Increased capacity to grow Oman's private sector and to diversify beyond oil and gas through public outreach and awareness campaigns, education, and encouraging reduction in bureaucracy.**

**Justification:** Oman's economy is based largely on oil and gas production. This puts the country in a precarious position, as its limited oil reserves dwindle and global prices remain depressed. In the interest of Oman national security priorities, we must encourage Oman's economic diversification efforts wherever possible. Oman's higher education system lacks adequate English language teaching, guidance counseling, and curriculum development. PAS speaker and Fulbright placements will supplement education infrastructure gaps in the Omani school system. The risk of not meeting this objective is an economy ill prepared for oil price shocks, which could trigger broader political ramifications and negatively affect the stability of a crucial U.S. partner in the region.

## 4. Management Objectives

### **Management Objective 1: Support long-term Mission growth**

**Justification:** A Compound Security Upgrade, scheduled for FY18, has been subsumed into an OBO Major Renovation Project tentatively scheduled for FY21. This major renovation project will address the various Overseas Security Policy Board standards the embassy compound does not presently meet. The Chancery is close to 30 years old, and was originally occupied by only 14 U.S. Direct Hire employees. There are now nearly 100 authorized USDH positions, and we expect further growth. Embassy Muscat has grown by six USDH personnel in the past two and a half years. As mission staffing increases for both U.S. direct hire and locally employed staff, the security footprint will similarly need to increase as well. While the Embassy encourages positive growth, Post must remain cognizant of the demands on management support. This will entail more consistent evaluation of support services results to ensure Post meets or exceeds the established service standards.

### **Management Objective 2: Ensure the Mission's communications infrastructure promotes efficiency by enhancing existing systems and adopting new technology.**

**Justification:** Technology modernization continues to play a vital role in delivering the best possible services to our customers and Embassy Muscat has greatly enhanced information technology services available to Mission personnel. Post continues to acquire new platforms and develop policies to allow all personnel to access mobile applications and platforms to enhance training, reach new audiences, and advance mission priorities. We will continue to partner with the Bureau of Information Resource Management in order to pilot new technologies and stay on the cutting edge of IT modernization.