

# The Impact of the Qatar Crisis on the Omani Relations

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## ABSTRACT:

**Objectives:** The Qatar crisis could be a reason for strengthening trade and diplomatic ties between Qatar and Oman. As a result of the trust between both countries, the crisis provided Oman's chance to support Qatar in many fields, such as trade and diplomacy. This study discusses how Oman increased its trade and diplomacy with Qatar. It contains two main variables, the Omani-Qatari relations, *independent variable*, and the impacts on trade and diplomacy, *dependent variable*. The research aims to identify the level of influence of the crisis on Oman and Qatar's relations. **Methods:** This paper adopts a qualitative approach method to achieve the objectives, where semi-structured interviews were conducted with elites, mostly from the Omani Ministry of Foreign Affairs. It also employs secondary data from articles, books, and reports. It applies thematic analysis technique as it suits the issue under study, where the information followed by analyzing the interviews results and other data. **Results:** The research identifies the impact of the crisis on future scenarios of relations; and suggests some practical recommendations to strengthen those relations both within the current crisis and after. **Conclusion:** This research reveals that the Qatar crisis has positive impacts on Oman and strengthened its bilateral relations with Qatar. Both countries developed relations primarily in the fields of trade and diplomacy

## Keywords:

Qatar Crisis, Gulf Studies, Bilateral Relations, Trade, Diplomacy, Qatar –Oman Relations.

## 1. INTRODUCTION

Qatar planned to strengthen its relations with Oman, which refused to join the blockading countries. Oman has acted as a neutral country against conflicts in the region, including the Qatar crisis (Al-Am, 2020). The Omani Qatari relations have been strong even before the crisis. Yet, the crisis has developed a positive outlook in Omani-Qatari relations. Qatar's blockade presented Oman with much-needed economic opportunities, especially considering the increasing budget deficit that Oman has faced in recent years (Baabood, 2017). Hence, there is a need to explore Qatar's real impact on Oman and suggest recommendations. This study primarily aims to identify Oman's positive effects due to the Qatar crisis, especially the interrelations between Oman and Qatar through trade and diplomacy. It identifies new business investment horizons between during and after the crisis, identifies the impacts of the crisis on both countries' logistics, especially seaports, airlines, and tourism sector. The study employs semi-

structured interviews using a mix of structured and unstructured questions. The secondary sources are significant in researching as they provide the required facts and figures about the impact of the crisis on the Omani-Qatar bilateral relations.

### 1. Oman- Qatar Relations

**The Crisis:** When the Qatar crisis started on June 5th, 2017, the blockading countries, Saudi Arabia, UAE, Bahrain, and Egypt, broke relations with the state of Qatar. The Qatari government immediately decided to react in an esteemed way. To respond to the crisis positively, they selected a crisis management strategy, which turned out to be quite an effective strategy to change the crisis's negative outcome to a positive one (Gulf Times Newspaper, 2018). Amid the crisis, the Sultanate of Oman has firmly avoided the conflict, adhering to its stance and conventional stance of proactive neutrality, while the Omani people showed support to Qatar (Baabood, 2019). The Omani

Foreign Minister made a brief visit to Kuwait and met the Emir, who declared his efforts to resort to diplomacy for a quick solution. Kuwait took the lead in mediation because of its strong ties with both Saudi Arabia and Qatar. Initially, Qatar looked at Oman as a mediator to the dispute. However, realizing the sensitivities, Oman understood that a principal mediator's position could not be possible. The Sultanate preferred to uphold its impartiality and non-interference policy reverting to the conventional peace approach and seeking quiet diplomacy to get the two sides closer for reconciliation (Baabood, 2017).

Throughout the crisis, Oman has remained politically neutral but economically has strengthened cooperation with Qatar. While the political neutrality of Oman derives from its historical and geographical context, the economic rapprochement that the country has with Qatar reflects its vulnerable economic situation. Since the start of the blockade, Oman has been "on the fence" politically against both Qatar and the GCC, refusing to show support for one side over the other. "Oman is trying to play the position of being in the middle, helping to preserve the status quo. It does not allow any sudden changes, since it hoped to retain the region as it is, without any turbulence" (Partridge, 2018).

Al-Ghailani (2020) claims that the Qatar crisis; "is a true test of the relationship, both officially and publicly". He pointed out that Oman opened its sea and airports and diversified its sensory and diplomatic capabilities to stave off Qatar's brothers' dangers and expressed firm opposition to attempts to exclude Qatar from the cooperation framework or detach it from its regional climate. He added, "The way to strengthen ties and enhance the Omani-Qatari relationship is also through trade exchange and joint development ventures, as well as through political cooperation and joint diplomatic initiatives." The responsible attitude of the Sultanate towards the siege carried out on the State of Qatar in 2017, stressing that the opening of Muscat airports and seaports to Doha stands for genuine fraternity and reflects the noble attitude of the Sultanate towards brothers in the State of Qatar (Al-Balushi, 2020).

The Sultanate deepened its economic ties with Qatar, where the mutual trade between them reached \$702 million, a 2000% rise during the first three months of the crisis, between June and

September 2017. Moreover, Oman's non-oil exports to Qatar increased by 144% during the first nine months of the year 2017. Furthermore, by December 2017, the Sultanate of Oman became the foremost destination for Qatari non-oil exports, receiving about 35% of Qatari's total exports (Shaker, 2018). Farhat (2020) believes that the trade volume between Oman and Qatar has increased, and the movement of tourism and travel has amplified.

After 21 days of Qatar's blockade crisis, the Qatar chamber announced that Qatari businesspeople seek to strengthen trade ties with Oman by signing new and long term agreements to build cooperation between Oman and Qatar in different trade projects. Around 140 Qatari businessmen were on business visits to Oman to discover and identify the projects that can be between both countries and find out the opportunities that can be useful to both states (Ibrahim, 2020). The activities of (made in Qatar) exhibition were in the Sultanate of Oman, which included 240 Qatari companies operating in different sectors. The vice president of Qatar Chamber considered this activity to reflect how the amount of development in this event came to reflect the number of products in trade and investment relations between both states (Chughtai, 2018).

The relations between Qatar and Oman have developed significantly. The increase in trade between the two states attests to the depth of their brotherly relations and to note the two states' current bilateral trade reached QR 4.1 billion. It is a significant improvement of nearly 101% after the siege (Qatar Total Imports, 2020). Qatar's 18th largest trade partner and the mutual investments have seen remarkable growth in most fields, including agriculture, livestock, education, communication, energy, tourism, and transport. Qatar adopted several measures to boost its economy following the blockade, leading to its GDP growth of 1.6% in 2017, "GDP QR 222 billion." Qatar estimated growth was 3% in 2019 and 2020, where its foreign trade has already grown by 16% and exports by 18% in 2017 (Qatar GDP Annual Growth Rate, 2020).

Moreover, Sohar port during summertime is always in a quiet environment, but in June 2017, the situation was different due to the Qatar blockade. The volume of cargo has risen by 30%, and more ships were using Sohar port instead of

Jabel Ali port, which was blocked by the UAE. Besides, Qatar Airways rented Oman Airplanes when Saudi Arabia blocked Qatar Airways from using their airspace. Accordingly, Oman Air helped bring back the Qatari people and residents from Jeddah to Doha via Oman in June 2017. Later, the relations have strengthened more between both states (The Economist, 2017). Qatar needed to enhance its maritime ties with Oman. It was seen how the crisis allowed the Sultanate to strengthen its relations with Qatar, particularly in different fields. According to Shadad (2020), the ties between Oman and Qatar have further expanded after the Qatar crisis.

## 2. Qatar Crisis Impacts on the Sultanate of Oman

### 1.1 Economic Impacts

Oman ultimately helped Qatar to overcome the blockade. Consequently, Oman is financially benefiting from improving trade ties between the two nations (Davison & Saul, 2017). The Sultanate economically gained from the crisis while remaining politically neutral (Al-Bawaba, 2017). The economic and trade ties were deepened after a memorandum of understanding was signed by both countries in January 2018. By the end of 2018, bilateral trade volume between the two countries amounted to 4.1 billion Omani riyals, a rise of almost 100% since the beginning of the crisis. The head of the Qatar Chamber of Commerce and Industry, Khalifa bin Jassim Al Thani stated, “the trade exchange between his country and the Sultanate of Oman had seen tremendous growth over the last three years beginning with two billion riyals in 2016 and rising to 3.8 billion riyals in 2017 to hit last year's record level of 6.8 billion riyals (1.8 billion dollars) shows an unprecedented growth” (CEIC Data, 2020). The following figure shows the sharp increase in trade between the two fraternal countries results from many economic steps to deepen bilateral relations.

Year	Import	Export	Bilateral Trade
2015	206,532,778	110,595,026	317,127,804
2016	86,094,915	97,122,492	183,217,407
2017	127,938,959	528,998,388	656,937,347
2018	350,235,143	690,146,050	1,040,381,193
2019	243,650,437	542,031,697	785,682,134

Table 1: Foreign Trade Data / Qatar, (GCC Statistical Center, 2020)

of trade was decreased as Qatar became economically independent.

The above shows the bilateral trade between Oman and Qatar between 2015 and 2019. It is worth noting that the highest trade relations between Oman and Qatar were in 2018, as the bilateral trade reached 1,040,381,193 Omani Rials. It reflects Qatari reliance on Oman as an economic partner. In 2019 the amount

<b>Foreign Trade Data 2019:</b>		
<b>Source: Qatar</b>		
	<b>Qatari Rial Value</b>	<b>US \$</b>
Total Export	2,004,684,169	550,737,409
Qatar National Exports to Oman	871,795,168	239,504,167
Goods re-exported from Qatar to Oman	1,132,889,001	311,233,242
Qatar import from Oman	3,624,390,851	995,711,772
The volume of trade exchange	5,629,075,020	1,546,449,181
Trade balance	-(1,619,706,682)	-(444,974,363)

Table 2: Foreign Trade Data / Qatar, (GCC Statistical Center, 2020)

<b>Foreign Trade Data 2019</b>		
<b>Source: Sultanate of Oman</b>		
	<b>Omani Rial Value</b>	<b>US \$</b>
Total Export	542,031,697	1,409,705,324
Omani national exports to Qatar	216,854,591	563,991,134
Goods re-exported from Oman to Qatar	325,177,106	845,714,190
Oman's imports from Qatar	243,650,437	633,681,241
The volume of trade exchange	785,682,134	2,043,386,564
Trade balance	298,381,260	776,024,083

Table 3: Foreign Trade Data / Sultanate of Oman. (GCC Statistical Center, 2020)

Year	Import		Export	
	The value is in Million Omani Rial	Growth Rate	The value is in Million Omani Rial	Growth rate
2013	400.37	410%	122.36	91.7%
2014	169.87	-57.6%	122.19	-0.13%
2015	206.53	21.6%	110.59	-9.5%
2016	86.1	-58.6%	93.23	-15.7%
2017	128	48.7%	549.3	489.4%

Table 4: (General Administration of Customs - March, 2018). Trade Exchanges between the Sultanates of Oman and the State of Qatar,

Table 4 shows the trade exchange between Oman and Qatar between 2013 and 2017. The import growth rate in 2016 was -58.6%, while, in 2017, it jumped and touched at 48.7%. While the export growth rate in 2016 was -15.7% but in 2017, it increased sharply to reach 484.9%. This proves that the trade exchange between Oman and Qatar has been more robust during the Qatar crisis.

The Chairman of the Qatar Chamber said that the number of Qatari Omani joint ventures operating in the Qatari market reached over 350 companies operating in various sectors, including telecommunications, energy, industry, and others. The majority of Qatari investments in the Sultanate are divided into shares, alliances, and partnerships. In 2017, Qatar hosted the Omani Industries and Products Exhibition "OPEX" and the Oman exhibition of Omani SMEs. A delegation of more than 120 Qatari businesspeople visited the Sultanate during the first months of the blockade to review the cooperation stages between the two countries. This visit played a significant role in strengthening the relations between companies in both countries and achieved

unprecedented success and witnessed the signing of a great deal of necessary cooperation (Al-Sharq Newspaper, 2018).

Most of the Omani goods replaced their Saudi and Emirates counterparts on Doha-scattered shopping center shelves, and new Qatari investments poured into the Sultanate's market in exchange. In December 2018, Qatar's public company, Hasad, announced 20% of investment projects in Oman's fish sector. Hasad has invested an estimated \$138 million in the Sultanate. Hasad acquired a third of the capital of the firm "Al-Safa Food," which is considered to be the Sultanate's most integrated poultry project, with a production volume reaching about 44 million birds per year. In return, Qatar provided Omani investors with attractive opportunities, similar to the privileges and benefits that Qataris enjoy. Thus, Doha welcomed several Omani companies that showed a willingness to operate in Qatari (Shaker, 2018).

Figure 5 shows that the number of Qatari transactions approved in Oman in June 2017 was 17.6 million Omani Rials, while in July 2017, it jumped sharply to reach 232.2 million Omani Riyals.

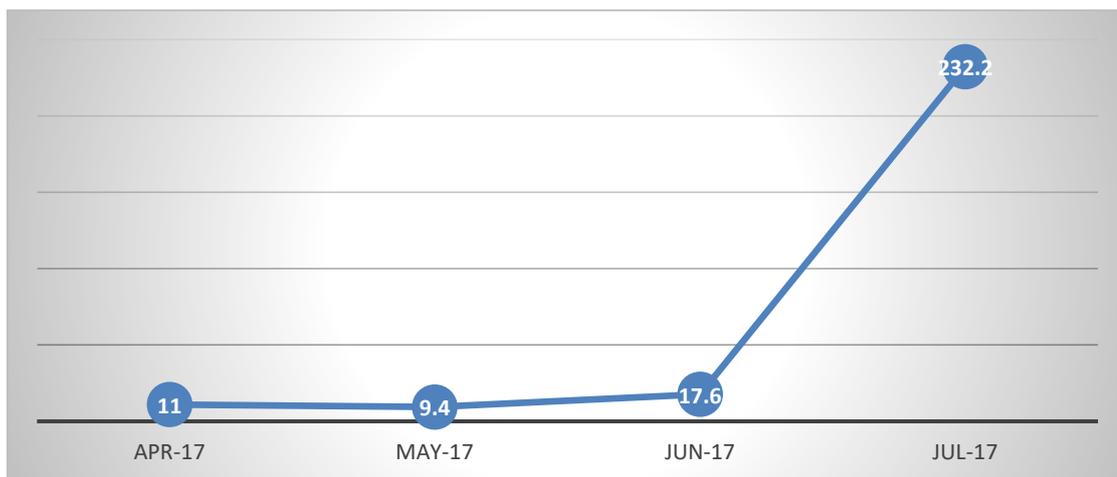


Figure 5: Amounts of Qatar Transactions Approved in Oman (Oman Chamber of Commerce and Industry, 2017)

### 3.2 Logistics

**Airlines:** Oman Air and Qatar Airways announced a code-share agreement allowing Oman Air customers to book flights to Doha from 42 departure points (Dan, 2017) within its network. Oman Air CEO Wayne Pearce said: "We are pleased to join Qatar Airways in offering our customers even greater flexibility, value, and convenience. This code-share will promote travel throughout the Gulf region and effectively expand the Oman Air" (Arab News, 2020). Akbar Al-Baker, the CEO of Qatar Airways, stated, "Qatar Airways is pleased to sign a partnership agreement with Oman Air to offer passengers comprehensive options and

flexibility when preparing their travel schedules (Nonstop, 2017). As a result, flights between the two countries are on the rise. While citing increased passenger demand, Qatar Airways has opened a new route to Sohar city in Oman during the summer of 2017, bringing the total number of weekly flights between Doha and Oman to 59 (Dehbi, 2018). Oman Air laid select flights to help stranded Qataris reach their homes as other Gulf countries maintained their ground, sea, and air embargo on Qatar. During Qatar's blockade, Muscat airport saw an increase in air traffic as Oman allowed to bridge the gap between Doha and the other Gulf States. Qatar Airways was forced to cancel flights to Saudi Arabia, the UAE, Bahrain, and Egypt. Thus, Oman Air sent chartered flights to pick up the Qataris stuck in the blockading. Oman Air also arranged three additional charter flights on the Muscat-Jeddah-Muscat for Qatar Airways (Oman Air (2017).

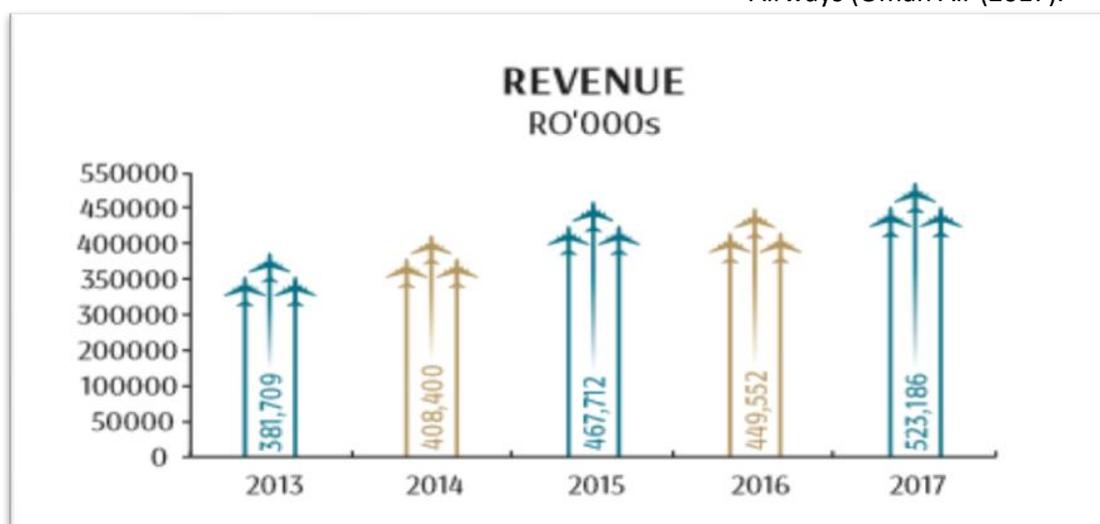


Figure 6: Oman Air Annual Revenue (Oman Air Website, 2107).

Figure 6 shows that Oman Air's annual revenue increased by RO 73.634 million or 16% over the previous years. It can be seen that it jumped and reached RO 523.186 million, while in the past four years, there was only a slight increase in revenue.

**Port Sector:** Oman is located at the Arabian Gulf entrance and overlooks the Strait of Hormuz, where there is discord outside the Strait. On the Western and Southern coasts are Bahrain, Saudi Arabia, and the UAE, the blockading countries of their neighbor Qatar. However, Oman has remained out of the controversy and supported Qatar to overcome the blockade. It quietly benefits from the crisis (The Economist, 2017). Cargo for Qatar was usually delivered to the UAE ports and loaded onto smaller vessels afterward. However, during the crisis, Qatar Ports run direct services to Sohar and Salalah ports in Oman (Qatar Ports Management Company, 2017). A spokesman for Sohar Port said, "Any route changes, or customs procedures, or border blockages, for whatever reason, could lead to unexpected changes in the patterns of transport. Such adjustments can prove beneficial for some ports, or even some nations, while they will not prove beneficial for others" (Khalifa, 2020).

The growth rate in the logistics sector in Oman reached 7.2% by the end of 2018, and the contribution of logistics services to GDP reached 3.8%, while the number of Omani workers in the logistics sector increased to 13,066 (Al-Kalbani, 2019). The authorities set a performance indicator for clearing goods at seaports so that they do not exceed 10 hours, and the Sohar Port achieved a rate of 6 hours to clear goods. This indicator aligns with international standards. The advance clearance of the goods contributed to the increase in the percentage of goods cleared before the ship arrived in a distinctive form from 1% to 14% within just eight months (Plecher, 2020). The annual report tracked an improvement in Omani ports' performance metrics for 2018. The number of ships arriving at the Sultanate rose from 7774 in 2017 to 8096 in 2018, with a 4.1% rise. The amount of cargo handled rose by 15.5%, and the amount of the increase in liquid substances covered by 10.1%. Besides, the number of visitors arriving from 353096 in 2017 increased to 356149 in 2018, i.e., the number of visitors rose by 0.9%

(Al-Kalbani, 2019). Accordingly, the Sultanate of Oman made significant progress in the 2018 AD Logistical Performance Index after being ranked 43rd. This improvement is a direct translation of the efforts made to achieve and enable strategic initiatives while continuing to move the logistics sector towards the Sultanate's achievement.

Cooperation between the Hamed port and Sohar port during the Qatar crisis was best, especially in the clearance of containers, both inbound and outbound, allowing the vessels to come from Qatar without delay. Muscat Containers Company in Sohar port increased its operational efficiency and used more equipment and machinery at maximum capacity and increased professional employees' numbers to cover the shortfall during the crisis (Al-Balushi & Hamed). The company also simplified and reduced charges for transit containers. In general, containers handling between Oman and Qatar have improved, with more hope that there will be more cooperation.

**Duqum Economic Zone:** Port of Duqum's administration in Oman reviewed a range of investment opportunities to offer Qatari investors. The Port provides a strategic location that facilitates access to numerous destinations around the world. The Port has capabilities of an industrial and economic zone and competitive advantages for project growth infrastructure. The Director-General of Commercial Support for the Port confirmed that it would provide Qatari businesspeople with investment opportunities (Hijazi, 2019). The Commercial Manager of the Port stated that the Port includes commercial, logistical, and residential areas, backed by an international airport. The Port has investment advantages of a thirty-year revolving tax exemption, free-hold ownership for foreigners, an exemption from minimum capital requirements, no currency limits, freedom to import, and simple customs and administrative procedures (Al Kalbani, 2019).

A project announced in November 2017 falls under the name of "Karwa Motors Company" in a strategic alliance between "Qatar Transportation," the national transportation firm in the State of Qatar, where it controls (70% of the company's shares) and the Omani Investment Fund, a sovereign fund in the Sultanate that controls (30% of the shares) (Al-Shukaili, 2020). The two parties

are investing about \$90 million in the first step of the project, distinguished by its potential to become, in the long term, an essential hub for the bus industry in Duqm. It is worth remembering that the production capacity initially planned for the plant is the annual production of "1000" buses, which is expected to exceed "3000" buses at the height of production, with the factory's maximum capacity, after the factory's incremental expansion as per of the consumer demands for its goods. The factory is designed to build civilian and school buses designed to meet local and national business needs. In the first step, the project is also expected to hire 200 staff and contractors, a number that is likely to increase as the project expands in addition to jobs in engineering testing departments, spare parts manufacturing, design, and international marketing (Al-Balushi & Al-Shirawi, 2020).

### 3.3. Other Impacts

#### 3.3.1 Military Impacts

The Omani Ministry of Defense held formal talks between the Minister of State for Defense in Qatar, Khalid bin Muhammad Al-Attiyah, and the Minister for Defense in the Sultanate of Oman, Badr bin Saud bin Hareb Al Busaidi, during which a memorandum of cooperation between the two parties was signed on the conditions of service of Omani officers and individuals assigned to Qatar. According to the Omani News Agency, the current fields of military cooperation were checked during the session at the "Beit Al-Falaj" camp, and opinions were exchanged on issues of mutual concern "in the context of the shared interest of the two countries" (Yousif, 2019). A Memorandum of Understanding was signed between the Government of Oman, represented by the Ministry of Defense, and the Government of Qatar, represented by the Ministry of Defense. This Memorandum provides a basis for cooperation between the Ministries of Defense in both countries (Cordesman, 2018).

During Al-Attiyah's unannounced visit to Omani capital, Muscat, in September 2019, and his Omani counterpart Bader bin Saud bin Hareb Al-

Busaidi discussed enhancing military cooperation between the two countries. Al-Attiyah and Al-Busaidi met at the Beit Al-Falaj camp and, according to a statement from the Qatari Ministry of Defense, analyzed the historical relations between the two countries' armed forces took place during the meeting. There was also a consideration of the military ties between the two sides and ways to strengthen them (The Peninsula (2019).

#### 3.3.2. Tourism Impact

A delegation of representatives of the General Authority for Tourism in Qatar visited the Sultanate of Oman in 2017, during which they met with their counterparts from officials and representatives of the tourism sector in the Sultanate to improve bilateral cooperation between the two countries in the tourism industry (Arab Center for Research & Policy Studies, 2018). The Qatar Tourism Authority's delegation also had the opportunity to exchange views on the authority's current efforts to begin the next step of Qatar's national strategy for the tourism sector in 2030. Qatar and Oman have a long and distinguished history of cooperation. The Qatar Tourism Authority signed a memorandum of understanding with the Omani Ministry of Tourism in 2015, which provides a framework for more joint projects that benefit the tourism sector in both countries (Azween, 2017).

Both countries signed a memorandum of understanding to strengthen and develop bilateral cooperation in tourism and recognize the importance of the tourism sector as a significant element in promoting economic development through the cultural and social exchange from both sides (Wejhatt Online, 2015). The MoU aims to enhance the exchange of tourism, enable participation in various tourism activities, and coordinate efforts among competent authorities in both countries to facilitate travel procedures according to the laws and regulations in each state. The other agreement elements encourage tourism by the private sector to contribute effectively to the tourist growth process, organize marketing and promotional strategies, and promote tourist trips between the two countries.

The MoU also aims at exchanging visitor experiences and technical knowledge in the areas of training and education, exchanging visits between media professionals and journalists, and exchanging information related to efforts to preserve natural, cultural, and social tourism assets and cultural heritage. The MoU also provides for the establishment of a technical committee of specialists in both countries' tourism sector to develop an executive plan for tourism cooperation between the two countries and monitor the implementation of the Memorandum materials, provided that the committee holds annual meetings alternately in both countries.

In carrying out the Sultanate and Qatar's efforts to revitalize the tourism sector between the two countries, it was agreed to facilitate the exchange of tourism by issuing joint tourist entry visas based on a list approved by both sides (Qatar Government Communications Office, 2019). It will help a foreigner with a tourist visa issued by the State of Qatar enter the Sultanate without paying any fees. It will be valid for one month, and it can be used only once. If the Sultanate grants the visa, the visitor must fill in the form indicated for that reason with a stamp on his passport, enabling him to enter Qatar. Similarly, the existence of his visa granted by the State of Qatar and stamped on the foreigner's passport will allow him to come from Qatar and enter the Sultanate of Oman. This entry will be free provided, he comes from Qatar, and if the visa is issued from the Sultanate, it would mean a joint visa and the sum of 20 twenty riyals will be charged (Royal Oman Police, 2020)

### 3.3.3. Education Impact

Following the Qatar crisis, the Sultanate of Oman and the State of Qatar signed a memorandum of understanding on improving and developing research, higher education, and technology cooperation (Al-Watan Newspaper, 2019). The Memorandum focused on Qatar and Oman's distinguished ties and their willingness to deepen and establish collaboration in science and higher education based on the principle of mutual interest and objectives. Under the MoU, the two parties promote cooperation in the exchange of experiences in science, expertise and modern technology, joint scientific study, exchange of visits

between higher education officials, academic faculty members, lecturers, researchers, and students in higher education institutions. It including information exchange on higher education policies, researchers' preparation, joint organization of exhibits, conferences, and scientific meetings, as well as ensuring fair and efficient security of intellectual property rights in compliance with the laws of the parties and the international treaties to which Qatar or Oman is the party (Al-Sharq Newspaper, 2018).

The Omani Minister of Education, Madiha Al-Shaibania, and the Minister of Education and Higher Education, Muhammad Al-Hammadi, described Qatar's educational system as a leading and prosperous and is aligned with international standards and thus should be used at the regional level (Milton, 2018). Both ministers praised the Qatar Foundation's prominent role in science, mathematics, engineering, and technology in community development. This role is higher educational institutions and research sectors in financial, cultural, and development fields are known as the 'Stem Education,' which shows Qatar's outlook for the future and its education system up to date with the latest developments on the international scene. Al-Shaibania explained that her visit to Qatar was to trigger the terms of the agreement of the executive program between Qatar and Oman on educational and cultural cooperation. She confirmed that what the two countries require is the more sharing and enhancing experience in the field of education (Al-Watan Newspaper, 2018).

### 3.3.4. Diplomatic Impact

Qatar and Oman have had a history of close mutual relations. These relations were especially established following the independence of the State of Qatar. The initial ambassador for Qatar to Oman was appointed in 1973. These relations are branded by 'stability and growth.' They are also made stronger through recurrent visits between leaders and senior officials from both countries (Al-Watan Newspaper, 2019). The State of Qatar has maintained close ties with the Sultanate of Oman. Since the independence of the State of Qatar, these ties have deepened in all aspects. Qatar and Oman's bilateral relations are characterized by peace and development crowned by visits between the two countries' leaders. This was followed by extensive visits to the Sultanate by senior officials to boost cooperation and

strengthen fraternity bonds between the two countries. Perhaps the factors that led to the Doha-Muscat relation's strengthening are the natural resources, advanced technologies, and healthy economies enjoyed by both governments and their similar geographical positions (Baabood, 2017).

The Ambassador of Qatar to the Sultanate of Oman, Jassim Al-Thani, highlighted that the Omani-Qatari relations had had a history of being profound and robust. They built harmony in most aspects and have similar opinions on regional and international matters, which played a role in strengthening their relations (Onely & Al-Saadi, 2020). Muscat stayed at a neutral point politically through the Qatar crisis by not joining the blockade and not ending diplomatic relations with Doha. Instead, economically, it has reinforced collaboration with Qatar. Since Oman's political neutrality is from its historical and geographical context, Qatar's economic conciliation portrays its susceptible economic situation. Mahjoob Zweiri [stated](#), "Oman is trying to play this role of being in the middle, helping to maintain the status quo. It does not welcome any sudden change because it has hoped to maintain the region's geopolitics as it is, without any turbulence" (Partridge, 2018).

## 2. CONCLUSION

This study has plenty of benefits. For example, it will increase the knowledge of Oman and Qatar's relevance trade and diplomacy relations. It will help identify if the Qatar crisis has developed the Omani-Qatari bilateral ties, especially in trade and economy. Moreover, it highlighted the Gulf Cooperation Council's inefficiency regarding the disagreements between the GCC members and the lack of proper mechanisms to resolve disputes. It underlines the absence of any GCC framework governing relationships among its member states. The main issue is trust absent in this council, where the countries are not trusting each other. The crisis encouraged Qatar to become more economically independent from Saudi Arabia and UAE, as Qatar depended on those states for almost 90% of its import. Thus, Qatar's economy became more diversified in export and import (Wright, 2020).

The research provided an overview of the Omani-Qatari relations and how the Qatar crisis has developed such ties between the two countries. Moreover, the researcher explained Qatar's impact on the Omani sectors such as economy, education, diplomatic, logistic, military, and tourism. It appears that the

Sultanate has been politically neutral in the crisis. Yet, it supported the State of Qatar in different aspects during the crisis and has benefited too. Oman has opened its sea/airports for Qatar's trade to become its transit point during the conflict period. Qatar crisis was a turning point to the Omani economy in general. From the researcher's point of view, the policies of Oman's investments should be re-appointed, where the rules and regulations for foreign investments should re-designed. However, there should be reasonable taxes and fees to increase the economy's cash flows by foreign investors. Otherwise, Oman is going to lose its opportunities to attract foreign investors to invest in the economy. The Sultanate should allocate trade and investment experts to guide and support foreign investors to choose the best projects that can be implemented in Oman and show them how they are going to spend their money on the industry.

Qatar crisis has developed Omani-Qatari relations, especially in the fields of trade and economy. Oman and Qatar have maintained strong ties even before the Qatar crisis. Still, during the crisis period, results show that Omani-Qatari relations have been developed positively, and the projects between both countries have expanded. In-depth, Oman has developed its trade and economic relations with Qatar from 2017 onward, which is what statistics showed. In one way, however, Oman did not exercise well with shifting mostly all the Qatari trade options to Oman. Unfortunately, the Omani economic system and regulations were not ready to deal with such remarkable opportunities.

It has been noticed that some external factors were set by a hidden agenda to deescalate the ongoing developed relations between Oman and Qatar. However, the two countries have developed relations rapidly through many fields and especially within trade and economy. It is worth noting that Oman has benefited a lot from this crisis, indirectly, and increased its investments and employment from 2017-2020 through, for example, aviation and ports trade. The crisis has demonstrated the value of strengthening Omani-Qatari relations to both sides. The benefits of this become more apparent trends are likely to continue and improve. Omani-Qatari relation is not a recent relation; rather, this is related to one family and one blood between the Omani and Qatari people, which many things make them together.

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