

# Information Technology Authority Annual Report

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Information Technology Authority  
Sultanate of Oman



e.oman

# The Vision

ITA works with a vision to transform the Sultanate of Oman into a sustainable knowledge society by leveraging information and communication technologies to enhance government services, enrich businesses and empower individuals.





“We have always emphasised the importance of learning and knowledge and we have always been open to the adoption of new developments in this field. Information technology and communications have now become the main elements that move forward the development process in this third millennium; therefore, we have accorded our attention to finding a national strategy to develop the skills and abilities of citizens in this domain with the aim of further developing e-government services. We are closely following the important steps that we have made in this regard.

We call upon all government institutions to speedily enhance their performance, and to facilitate their services, by applying digital technology in order to usher the Sultanate into the constantly evolving spheres for applying knowledge.”

**His Majesty Sultan Qaboos bin Said**

The Annual Session of the Council of Oman  
11<sup>th</sup> November 2008

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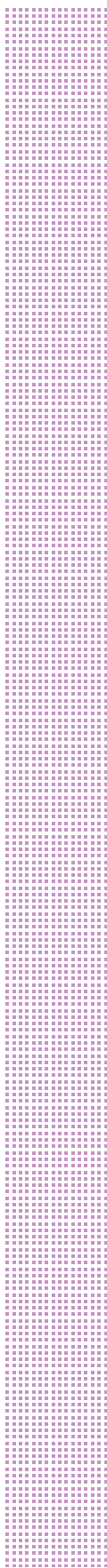
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## Message from the Chairman

A handwritten signature in white ink on a purple background.

Dr. Ali Masoud Al Sunaidy  
Chairman, ITA

"It gives me great pleasure to extend my highest regards and most assured appreciation to all staff and employees of the ITA for their consistent and continuous efforts exerted to improve ITA's work. I would like also to thank all government agencies, private establishments, non-governmental organizations and individuals for their cooperation and support of the ITA's goals and objectives, in achieving its vision to develop the IT sector in the Sultanate of Oman, through the provision of all forms of possible support for the initiatives looked after by the ITA."

In the beginning, the ITA has been focusing on the national infrastructure for the ICT sector and on supporting the initiatives which contributed to the development of this sector at large.

After 6 years of dedicated work, we have added further priorities where the government focus is zoomed on digital transformation and timely implementation. Hence, the launch of the eTransformation Plan in October 2012 aims to raise the quality level of eGovernment services rendered to individuals and to ensure that Omani society is progressing firmly towards digital transformation, through ITA's delivery of initiatives within the framework of the National Strategy for Oman's Digital Society and eGovernment.

We hope that this year will witness a noticeable development in the implementation of plans for the government entities to transform their services to automated electronic services.

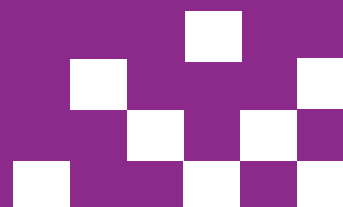
We, at the ITA, are cognizant of the extent of ambitions aspired for by the Omani society; to see the Sultanate one of the most advanced countries in the ICT fields; and, able at the same time to keep up-to-date with fast developments in this field. Therefore, we are going forward with implementing our plans and programmes, which target skills development of Omani citizens to handle the modern technology and, to encourage and support our youth to become inventors and innovators in the ICT field.

At the same time we will continue to develop the infrastructure and support the initiatives that seek to build confidence in rendered eServices within citizens and residents, which will pave the way for the eGovernment.

Finally, I cannot but renew my thanks and appreciation for all those who have contributed and those contributing in building digital Oman.

**Dr. Ali Masoud Al Sunaidy**  
Chairman, ITA

**"We are going forward with implementing our plans and programmes, which target the skills development of Omani citizens to handle the modern technology and, to encourage and support our youth to become inventors and innovators in the ICT field."**





## Message from the CEO

Dr. Salim Sultan Al Ruzaiqi  
ITA CEO

"It is with a great pleasure that we present you with the annual report for the Information Technology Authority (ITA) for the year 2012. It is a walkthrough of one whole year of dedication and diligence along the course of implementing the National Strategy for Oman's Digital Society and eGovernment."

Our report this year begins with highlighting some of the accomplished achievements in building societal and individual capacities, as embodied in the initiatives fostered by the ITA in this regard.

Next, the report showcases the ITA's role in promoting eServices through enhancing applications, IT infrastructure and securing systems and data.

In the Third section, the report will outline the most significant achievements in the field of national infrastructure in terms of the provision of services, equipment and systems and the refinement of the Oman Government Network.

The report next addresses the issue of cyber security and the role of the ITA in providing a secure and safe environment for PC users and consequently build confidence about eServices among users in the Sultanate.

The fifth section is ICT Industry Sector, where the report will discuss the contribution of the ITA towards encouraging multinational companies to invest in the Sultanate and open up branches, in addition to providing administrative and financial support to SMEs and solutions to further develop the ICT sector in the Sultanate.

In the Sixth section, we will briefly address the legal development and evolution of standards and legislation that regulate the critical field of ICT, as well as render an appropriate framework for ITA to provide legal advice to government bodies.

Next, the Seventh section will outline the awareness, media and promotion campaigns, leading to what has been achieved so far in terms of spreading awareness of digital culture among different social segments.

The Eighth section has been dedicated to highlighting the significant statistics and awards won by the Sultanate at the regional and international levels, and the role played by such awards in acknowledging the Sultanate's position in international ranking for ICT. The rankings have also helped in identifying the areas that have witnessed progress and development and those that are in need of further efforts. Last but not least, we put before you the financial report of the last year for the ITA.

Finally, on behalf of all my colleagues at the ITA, I would like to express our thanks and gratitude for all those who have contributed to accomplishing this level of development in the ICT sector in Oman.

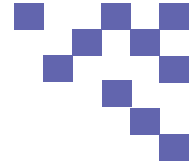
**Dr. Salim Sultan Al Ruzaiqi**  
ITA CEO

**"The ITA's role in promoting eServices through enhancing applications, IT infrastructure and securing systems and data, in addition to providing administrative and financial support to SMEs as well as solutions to further develop the ICT sector in the Sultanate have been a key focus throughout the year."**



# ITA

## Board of Directors



**HE Dr. Ali  
Masoud Al Sunaidy**  
Chairman

- Minister of Commerce & Industry
- Chairman of ITA Board of Directors



**HE Eng. Ahmed  
Hassan Al-Dheeb**  
Deputy Chairman

- Undersecretary of Ministry of Commerce & Industry
- Deputy Chairman of ITA Board of Directors



**HE Hamoud  
Sangour Al-Zadjali**  
ITA Board Member

- Executive President of the Central Bank of Oman (CBO)



**HE Said Hamdoon  
Saif Al Harthy**  
ITA Board Member

– Undersecretary of the Ministry  
of Transport & Communications  
for Ports and Maritime Affairs



**HE Dr. Hamed  
Salim Rashid Al Rawahi**  
ITA Board Member

– CEO of Telecommunication  
Regularity Authority (TRA)



**Eng. Matar  
Saif Al-Ma'amri**  
ITA Board Member



## ITA Management Team



### Sitting Members From left to right

1

**Mr. Badar Al Salehi**  
Director of Oman National CERT

2

**Mr. Omar Al Shanfari**  
Deputy CEO for Infrastructure & eServices

3

**Dr. Salim Sultan Al Ruzaiqi**  
ITA CEO

4

**Mr. Qais Al Rubaiei**  
Director General of Finance & Administration



**Standing Members**  
From left to right

5

**Mr. Mohammed Al Duhli**  
Director General of Governance & Advisory

6

**Mr. Khalid Al Kharusi**  
Director General of Information & Awareness

7

**Mr. Maged Boulos**  
In-charge of Strategic Planning

8

**Mr. Fahad Al Abri**  
Director General of Digital Society Development

9

**Mr. Khalid Al Siyabi**  
Director General of eServices

10

**Mr. Abdulaziz Al Kharusi**  
Director General of Investment  
& Sourcing

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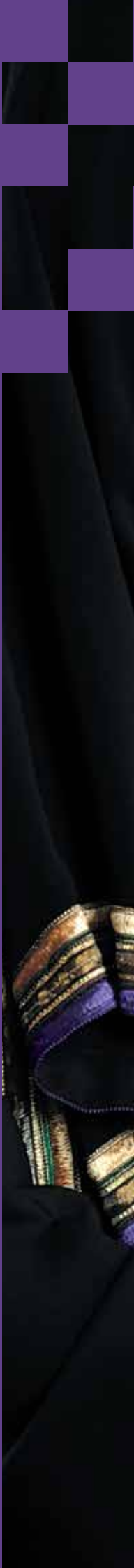
**Dr. Bader Al Manthari**  
Acting Director General  
of Information Security

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**Mr. Yaqoob Safar**  
Director General of Infrastructure

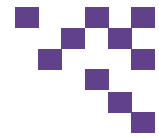


# Society & Human Capital Development





## 01 Society & Human Capital Development



This section is considered as one of the key pillars upon which e.oman Strategy is built. This is based on the fact that man represents the prime target, yet at the same time is the ultimate goal of development. Consequently, the Authority has set a number of objectives aimed at serving this section, namely:

- Developing the National IT Training & Awareness (NITTA) Framework. Train citizens and government employees in IT basics, with the aim to eliminate digital illiteracy.
- Offering specialized training courses to IT industry workers, so as to qualify them for certification.
- Introducing school students to the IT basics. Provide advanced training programs to IT industry workers.
- Providing PCs as well as internet accessibility for the community at affordable prices.



**ITA Fact**  
Total number of people trained in 2012

**12,119**

**“The CITT project delivers IT literacy training programs to the community through the use of Community Knowledge Centers (CKC) and Women CKCs (WCKC).”**

**Fahad Sultan Al Abri**  
Director General of Digital Society Development

## National IT Training & Awareness Initiative (NITTA)

The National IT Training & Awareness Framework (NITTA) initiative is a governmental nation-wide e.oman initiative aimed at developing Information Communication Technology skills capability and increasing ICT awareness and proficiency within the Government and the community. NITTA has given rise to the following projects and initiatives:

### 1.1 Government IT Training & Certification (GITTC)

This project aims to provide all Civil Service employees with information and digital skills, consequently allowing them to benefit from every opportunity to develop their ability to offer eGovernment services.

Notably, the GITTC program qualified more than 200 Omani job seekers and more than 203 as international ICT Trainers.

Table 1.1 shows the number of employees who have benefited from Government IT Training & Certification (GITTC), since the launch of the program in 2009 and up to the end of 2012:

Table 1.1

No. of Civil Service Employees	
Trainees	59,831
Certificate Holders	45,376

### 1.2 Community IT Training (CITT)

The Community IT Training (CITT) Project is regarded as a fundamental part of the National IT Training & Awareness Initiative (NITTA).

It aims at activating sustainable learning at all levels of Omani society as well as enhancing citizens abilities and skills in handling modern digital technology. The CITT project delivers IT literacy training programs to the community through the use of Community Knowledge Centres (CKC) and Women CKCs (WCKC).

Established in communities throughout the Sultanate, CKCs & WCKCs aim to reduce computer illiteracy and bridge the digital divide by providing basic computer and internet skills.

The CKC & WCKC assist and help people to expand their access to information, improve productivity, enhance quality of life, and enrich culture and tradition by promoting communication and interaction.

#### a) Community Knowledge Centre (CKC)/ Women Community Knowledge Centre (WCKC) and Other Digital Literacy (DL) Training Opportunities:

- Since the launch of the CITT project, the total number of citizens trained in DL is 39,851.
- Total number of citizens trained on digital literacy in 2012: **Please refer to Table 1.2**
- Conducted the 2nd Annual Performance Award for CKC trainers. Around 40 trainers were awarded for their achievements.
- Skills enhancement sessions on Marketing Strategy, Supervisory Skills, HSE and Community Outreach were conducted for 35 CKC trainers.
- MOU was renewed with 9 Omani Women's Associations (OWA) to continue DL training in WCKCs.

Table 1.2

Initiatives	No. of Male Trained	No. of Female Trained	Total No. of People Trained in 2012
Community Knowledge Centers (CKC)	2,840	4,855	7,695
Women Community Knowledge Centers (WCKC)	193	2,563	2,756
Community Other Initiatives	(Gender not differentiated)		1,668
<b>Total Trained in DL</b>			<b>12,119</b>



## b) Additional Efforts – Community Capacity-building:

- Contracted with local training institutes to run the DL program.
- Sponsorship from Microsoft was obtained to train WCKC trainers in the TTT and DL program.
- 14 female volunteers trained in Train-the-Trainer (TTT) and Digital Literacy (DL) – under the Educated Village Project in Yitti. Also, under the Yitti project Digital Literacy (DL) training for senior women commenced.
- 18 trainers participated in Train-the-Trainer (TTT) and DL programs under NGO initiatives.
- 7 Trainers were trained under the specialized training program in preparation to conduct digital literacy (DL) training in CKCs (4) and WCKCs (3).
- Trained people with disabilities through CKC, WCKC and NGOs.

Table 1.3

Notable CITT local &amp; international participation:

CITT Participation	
January	ITA delegation traveled to South Korea to view outstanding digital projects and exchange experiences and expertise in the area of ICT
April	ITA participated in the World Summit on the Information Society (WSIS) forum in Geneva, and presented ITA's efforts towards women in ICT
May	2012 World Telecommunication & Information Society Day (WTISD) celebrated in honor of women's achievements: 9 OWAs, through WCKCs, were awarded for their participation and achievements towards the WCKC; and, a representative from Gyeonggi Women's Development Center in Korea was hosted during the COMEX Exhibition to present their knowledge and achievements.
September	ITA organized the Knowledge Network & Multi Sector Partnership Symposium

## 1.3 Specialized IT Training (SITT)

This program focuses on providing specialized IT training courses and granting opportunities to obtain specialized certificates, thereby increasing the number of holders of specialized certificates in the different fields of information technology. Moreover, the program contributes to meeting the current needs for the ICT industry in the public and private sectors, as well as satisfying future needs so as to enhance the growth of the local ICT sector.

In this way, competencies, skills, and experiences necessary for the development of the ICT industry are provided, in addition to contributing to the different initiatives to achieve the objectives of the e.oman strategy and eGovernment in the Sultanate.

It is important to mention that special focus is placed on job seekers through conducting an accurate study of the labour market to identify the needs of scientific specializations

of graduates. This is to be added to taking the necessary steps to bridge the gap between the knowledge graduates acquire during their academic study and the practical experience required by the labour market in both the public and private sectors. Consequently, emphasis is placed on some specialized programs and courses instead of others, in co-operation with pioneering ICT companies.

To cope with the intensive employment movement in the governmental sector from 2011 until now, the ITA has conducted specialized training programs targeting the new IT employees. Such programs have been designed to cater to their specific training needs and accelerate their integration into the work environment. The number of persons benefiting from these programs through until the end of 2012 reached approximately 600 male and female trainees from different governorates of the Sultanate.

Table 1.4 shows some of the numbers of trainees who participated in specialized technical training courses, in collaboration with the aforementioned companies, until the end of December 2012:

**Table 1.4**

IT Fields	Number of Trainees
Applications Security	22
Websites & Applications Development	303
Databases Management	100
Applications and Systems of Free & Open Source Software (FOSS)	80
Graphic Design	160
Internet Security	80
Mobile Systems Development	40
Network Management	129
Network Security	44
Website Security	25
Information Security Management	172
Data Storage Security	20
IT Management (Non-technical Fields)	68
Systems Management	652
<b>Grand Total</b>	<b>1,895</b>

In addition to this, to complement the program's technical scope of work, specialized (non-technical) courses and certificates have been added that aim to enhance the administrative needs in the IT field. The program now includes training opportunities which have targeted, in its first phase, the decision makers (CIOs) in various governmental authorities, with the objective of providing them with the necessary skills and knowledge to complete their work efficiently and effectively. Other targeted groups shall also be enabled through the participation of some of these courses and certificates.

During the months of September and October 2012, 3 specialized non-technical training opportunities were organized for IT DGs/ Directors from the government, inclusive of the following:

1. A week-long workshop of Executive Training on Foundations of Government Information Leadership (IT DGs/Directors), jointly organized with the Center for Electronic Governance at United Nations University International Institute for Software Technology (UNU-IIST);
2. Two (2) Project Management training courses; and,

3. Two (2) IT Infrastructure Library – Foundation V3 (ITIL Foundation) training courses.

The above-mentioned three training sessions have resulted in training a total of 72 individuals, at the middle and senior management levels in the IT and planning units and departments in various governmental authorities, embarking from the Authority's plan to upgrade the skills of Omani cadres and to qualify them according to international standards in the IT field.

The following are some data relating to specialized training courses conducted during 2012:

- ITA coordinated directly with government institutions to obtain information regarding the training needs of new employees;
- ITA continued its liaisons with internationally pioneering IT companies like Microsoft, Oracle and Cisco to provide specialized training; and,

Up until the end of 2012, those registered for specialized IT training include: 4,706 professionals, job-seekers and students; and, 1,032 new governmental IT employees.

#### 1.4 National PC Initiative (NPC)

This initiative targets several categories of Omani society including social insurance families and teachers, as well as students enrolled in their first year of higher education studies. The goal is to enable these individuals to own PCs and, subsequently, to increase the number of PC and internet users in Oman. This is to be added to encouraging users to become acquainted with modern knowledge, to benefit from eServices, and to keep abreast of the latest technological and cognitive developments.

The participation of citizens in these programs is intended to produce competent and efficient local businesses that can offer associated services, including the production of devices and training programs. This in turn contributes to enhancing the ICT sector.

Plans for the implementation of this initiative coincided with the launch of the Digital Oman Strategy in 2006. On the 27th of November 2010, His Majesty Sultan Qaboos issued

a Royal Decree to grant one free PC to each social insurance family having at least one child or more registered in the school system, as well as granting a free PC to students in these families who are enrolled in higher education studies.

The Royal Grant included a subsidization of the cost of a PC for students enrolled in the First year of higher education studies in the Sultanate, in addition to school teachers who are graduates of the Government IT Training & Certification (GITTC). This was done with a view to enabling them to obtain a PC and enhance their participation in building Oman's Digital Society.

In line with the Royal Directives, the Information Technology Authority (ITA) launched the third phase of the National PC initiative (NPC) during the final quarter of 2012.

The following table shows the number of persons who benefited from the initiative during 2012 and since the launch of the NPC initiative in November 2010:

Table 1.5

NPC Segment	Number of Beneficiaries	
	During 2012	Since the Launch of the NPC Execution in January 2011
Social Insurance Families	3,699	16,523
Social Insurance Students	3,226	11,748
Teachers	3,660	6,290
Higher Education Students (First Year)	20,721	37,997
<b>Grand Total</b>	<b>31,306</b>	<b>72,558</b>

The table below shows the total number of PCs distributed until end of 2012, for all targeted segments:

Table 1.6

NPC Segment	Total PCs Distributed
SWB Families	16,524
SWB Students	11,747
Teachers	6,908
First Year Students	43,022
<b>Total</b>	<b>78,201</b>

As part of its continued contribution to the NPC initiative, Omantel offers the social insurance beneficiaries' category a free modem with exemption from connection fees and monthly rental fee, and a free download of 1 GB/month for a full year for both home and mobile internet.

The package also includes two special offers to teachers' and higher education students' categories. The first offer is Internet service ADSL that includes a wireless modem, free rent fixed-line for a full year with free download 1 GB/month and 75 minutes free fixed-line calls, at speeds of up to (2 MB) for the first three months; followed by a 50% reduction on the subscription for the nine months remaining in the year. The second offer is a new SIM card with modem and free activation, with a wide range of options to use daily, weekly, or monthly packages in the of prevailing purchasing cost.

Other parts of the initiative include contracting with approved local institutes operating in the ICT field to train those individuals benefiting from the initiative in the basics of using the computer and how to interact with the devices they receive. A special section has been provided on ITA's website to facilitate access to information about the National PC Initiative and to make sure the conditions of obtaining a PC via the program are met.

The following are some information related to the Initiative:

- ITA conducted a random sample survey of 1,000 individuals from among those who benefited from the initiative to measure their level of satisfaction with the initiative. The survey contained a set of questions relating to the prices of the PCs,

the accessories and the applications. Of those beneficiaries surveyed, approximately 450 people responded with a 92% satisfaction rate for the NPC initiative.

- The program provides currently a variety of PCs including 33 different laptop models and another 3 Tablet models covering 8 brands.
- Contracts signed with 22 local training institutes were renewed to provide training packages for beneficiaries. This in turn contributes to enabling these institutes to make use of these courses for material gains, which constitutes support of Small and Medium Enterprises (SMEs).
- Approximately, 21,000 modems were distributed in 2012, bringing the total distributed internet modems to more than 57,000 modems since the NPC was launched.
- The ITA Call Center was used effectively to answer received inquiries about the program. The number of such inquiries was 85% of the total calls per month received by the Call Center.
- The total number of complaints in regard to technical problems faced while dealing with the PC was less than 5% – all successfully solved.

The penetration rate of PCs in the Sultanate as per the 2003 census was 50.6%. According to the 2010 census this percentage increased to 52.8%.



#### ITA Fact

Number of modems distributed in 2012

**21,000**

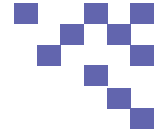


# Enhance Government eServices





# Enhance Government eServices



Development of the IT sector can be measured by the accessibility to services electronically instead of through complex traditional methods. Therefore, the Authority is endeavoring to enhance eGovernment services through a series of continuous procedures, including:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Determining the means of enhancing eGovernment services as well as reengineering government operations.</li> </ul>           | <ul style="list-style-type: none"> <li>• Updating government applications with a view to offering online services.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Promoting the use of free &amp; open source software (FOSS) and licensed packages at the government institutions.</li> </ul> | <ul style="list-style-type: none"> <li>• Developing business continuity systems across Governmental IT departments.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Obtaining the governmental infrastructure necessary for providing and promoting online services.</li> </ul>                  | <ul style="list-style-type: none"> <li>• Securing and safeguarding government systems and data.</li> </ul>                     |

## 2.1 One-Stop-Shop

This project concept stems from our belief in the importance of facilitating procedures for investment in all economic sectors through streamlining business licensing processes, irrespective of nationality, by shortening the document cycle using technology and upgrading the systems on which the One-Stop-Shop is based to keep up with the steady increase in the number of daily transactions received, including the head office of the Ministry of Commerce & Industry, and other directorates and departments in the governorates and regions of the Sultanate.

The number of such transactions currently ranges between 1200 and 1500 transactions per day in different business, industrial and mining sectors. The first phase of this project was completed in October 2012, through collaboration between Information Technology Authority and Ministry of Commerce & Industry, and implemented by a leading international company in this field. This is the first project across the Sultanate operating on cloud computing, as well as being the first project to be linked with the Official eGovernment Services Portal ([www.oman.om](http://www.oman.om)).

## 2.2 Consultancy Services

During 2012, the Authority offered approximately 78 consultancy services in the IT field to more than 36 ministries and governmental organizations. Such services included the following: developing IT plans; providing assistance with IT-related HR requirements; preparing tender documents;

analysing bids submitted by companies participating in IT tenders; and, assisting with project management and development of policies and standards required by IT sections, departments and directorates in governmental entities.

**Table 2.1**  
**Consultancy Services Provided by ITA in 2012:**

Project	Consultancy Provided to
<ol style="list-style-type: none"> <li>1. Develop an estimate budget for the Ministry's building in Sur</li> <li>2. Develop an estimate budget for the buildings of Omani Women's Associations</li> <li>3. Review the infrastructure of the buildings of Omani Women's Associations</li> <li>4. Develop the Portal Project</li> <li>5. Establish new building infrastructure &amp; network projects</li> </ol>	Ministry of Social Development
<ol style="list-style-type: none"> <li>1. Evaluate categories of the Sultan Qaboos Award for Excellence in eGovernment</li> <li>2. Evaluate proposals for the GCC Award</li> <li>3. Review the Memorandum of Understanding (MOU) between Oman National CERT &amp; the EC-Council</li> <li>4. Implement emergency management system projects</li> </ol>	Information Technology Authority
Develop a roadmap for information technology	Ministry of Health
Project study & assessment of infrastructure in the Authority's new building	Public Authority for Consumer Protection
<ol style="list-style-type: none"> <li>1. Review tender document for lawsuit management system</li> <li>2. Prepare tender document for a uniform telecommunications project</li> </ol>	Ministry of Justice
Review tender document for the Ministry's website project	Ministry of Foreign Affairs
Evaluate the project for replacement of computer & IT infrastructure in the Ministry	Ministry of Civil Service
<ol style="list-style-type: none"> <li>1. Develop a roadmap for road management system</li> <li>2. Prepare tender document for the Ministry's technical support project</li> <li>3. Analyse &amp; evaluate bids submitted by companies for IT projects of the Ministry</li> </ol>	Ministry of Transport & Communication
Project for the provision of a web hosting disaster recovery service in the National Data Center	Ministry of Higher Education
Review & audit the IT systems roadmap	Diwan of Royal Court



**Table 2.1 Cntd.**  
**Consultancy Services Provided by ITA in 2012:**

Project	Consultancy Provided to
Prepare the IT Master Plan	Ministry of Manpower
<ol style="list-style-type: none"> <li>1. Review the internet usage policy</li> <li>2. Develop eBusiness in Sohar Municipality</li> </ol>	Muscat Municipality
Review the agreement for the Samatel eServices project from technical & legal Perspectives	Ministry of Environment & Climate Affairs
<ol style="list-style-type: none"> <li>1. Review the tender for information security &amp; confidentiality verification</li> <li>2. Review &amp; evaluate the portal tender</li> </ol>	Tenders Board
Review the tender for consultancy services for the review of information systems & IT programs	Ministry of Regional Municipalities & Water Resources
Analyse bids for design & installation of the Ministry's internal network	Ministry of Legal Affairs
Project for interconnection with e.oman & Government eServices Portal	Salalah Free Zone
Prepare tender document for infrastructure specifications for the Data Center at the Institution's new building	State Audit Institution
Prepare tender document for the Authority's portal design	Public Authority for Craft Industries
<ol style="list-style-type: none"> <li>1. Assess the business process documentation project in the Public Authority for Manpower Register</li> <li>2. Prepare tender document for consultancy services for the Authority's business process documentation</li> </ol>	Public Authority for Manpower Register
<ol style="list-style-type: none"> <li>1. Project for IT infrastructure development</li> <li>2. Redesign the Centre's website</li> </ol>	Public Authority for Investment Promotion and Export Development
<ol style="list-style-type: none"> <li>1. Consultancy services project for the proposed application</li> <li>2. Evaluate the Ministry's portal</li> <li>3. Prepare tender document for the Ministry's internal applications</li> </ol>	Ministry of Finance
<ol style="list-style-type: none"> <li>1. Project for property accounting for Awqaf, Treasury &amp; Mosques</li> <li>2. Project for selection of Information Accounting System for Awqaf, Treasury &amp; Zakat</li> </ol>	Ministry of Awqaf & Religious Affairs

Project	Consultancy Provided to
<ol style="list-style-type: none"> <li>1. Project for emergency information management program in the National Data Center;</li> <li>2. Review tender document for back-up solutions project</li> </ol>	Royal Oman Police
Estimate needs for the budget of IT infrastructure development in Ministry of Regional Municipalities & Water Resources	Ministry of National Economy
<ol style="list-style-type: none"> <li>1. Review the project for supply &amp; installation of standby energy systems for the Data Center</li> <li>2. Review the project for supply &amp; installation of air-conditioning systems for the Data Center</li> </ol>	Ministry of Tourism
Evaluate bids for IT infrastructure projects	Ministry of Heritage & Culture
Develop the Institute's IT roadmap	Institute of Public Administration
<ol style="list-style-type: none"> <li>1. Design new Data Center in Dhofar Municipality building</li> <li>2. Project for IT infrastructure development &amp; information network in Dhofar Municipality building</li> </ol>	State Minister & Dhofar Governor Office
Review the IT infrastructure in the Royal Navy of Oman	Ministry of Defence
Project for waste classification & count in the Sultanate and development of overall waste database	Oman Environmental Service Holding Co.
Review IT policy	Sultan Qaboos University
Develop Board's IT roadmap	Oman Medical Specialty Board

### 2.3 Business Process Documentation Project in Public Authority for Manpower Register

1. In implementation of His Majesty Sultan Qaboos Bin Said's directions to employ fifty thousand jobseekers, as per the Manpower Register and grant each of them an amount of OR 150 per month, a team was formed from the Information Technology Authority and the Ministry of Manpower to document Business Rules.
2. After establishing the Public Authority for Manpower Register, pursuant to Royal Decree No. (98/2011), an agreement was made with a leading consultancy service provider through international tender to evaluate the existing business process, develop an IT infrastructure and prepare a comprehensive study for the establishment thereof.

To implement the study, an international tender was prepared and offered for carrying out the business process documentation and automation project in the Public Authority for Manpower Register and for provision of eServices, in line with the Manpower Register's new vision comprising a number of phases.

**Table 2.2**  
Government Microsoft Enterprise Agreement

#	Project / Service	Planned 2009 – 2012	Unit	Achieved until 2012	
				Number	%
1	Technical Consultation Reports	100	Reports	100	100
2	Technical Workshops	18	Workshops	18	100
3	Microsoft Infrastructure Health Checks	30	Reports	31	103
4	Digital Literacy Training	50	Batches	50	100
5	Capacity Building (Specialized training in Microsoft technologies)	27	Batches	27	100
6	Private Training (Technical training)	150	Days	150	100
7	IS Deployment (Windows 7 & Office 12 deployment project)	18,792	Desktops	21,000	112
8	Job Seekers (One year classroom / hands-on training project)	60	Job Seekers	60	100
9	Awareness Sessions on newly released Microsoft Products	6	Sessions	6	100
10	Contribute to Society initiative (DL training)	12	Batches	12	100
11	Event Invitations (To Microsoft Global events & conferences)	15	Event Invitations	15	100
12	Anti-Piracy workshop events	6	Events	6	100
13	Microsoft Office 2012 Home Use Program	31,320	Office Licenses	31,320	100
14	True-up Surveys (Annual survey to calculate Microsoft licenses usage in the Government)	3	Survey	3	100

The benefit program associated with the Government of Oman Microsoft Agreement 2009-2012 (which was executed by Exceed IT Services) was successfully implemented reaching a utilization rate of 100%.

## 2.4 Sultan Qaboos Award for Excellence in eGovernment

Since its inception, the Sultan Qaboos Award for Excellence in eGovernment aspires to achieve a set of goals. It aims to make a qualitative transformation in the electronic services through honoring digital projects that have provided exceptional achievements and innovations in information technology, which will contribute to supporting Oman's Digital Society and eGovernment, enhancing the employment of ICTs in economic, social and cultural development as well as other aspects of modern life.

Adopting a development approach and excellence path, the Award Organizing Committee has strived to benefit from its past experiences and the accumulative experience it has gained from the two previous Awards editions. Therefore, the introduction of two newly created evaluation processes for 2012, such as the eMystery Shopper and the Public Voting, in addition to the eHealth Check service allowed the independent jury to make decisions based on tangible results. Further, this made it easy for the jury to conduct the arbitration process within a shorter time, in light of the increase in the number of participating entities compared to last year.

In this third edition of the Award, upon the close of registration on 1 September 2012, the number of projects participating in the Award reached 57 submissions from 30 government and private sector entities. All have expressed conscientious efforts to provide easy and integrated eServices to the different categories and classes of the Omani community, reflecting the commitment of such entities to work hand in hand with the Information Technology Authority to implement Oman's Digital Society and eGovernment Strategy.

This year, private sector entities have been permitted to compete in two new dedicated categories – Best Public eService and Best Public Mobile eService. This direction stems from the Award organizers' belief in the significance of this important sector and vital role as a key partner in supporting advancement in the ICT industry in the Sultanate. Although the participation by private sector entities was not up to our expectations, we hope that the next editions of the Award shall witness greater participation in terms of the number of project submissions from private sector entities.

Government entities were vying to win a trophy in one of the five categories of the Award: Best eContent, Best eService, Best eEconomy, Best eProject and eReadiness. Relative to the public sector/governmental entities awards, five sub-categories exist under eService: G2G, G2E, G2B, G2C and Mobile Services. As well, under the eProject category are two sub-categories: Individual and Collaborative.

The entities which participated in the Award during 2012 comprised of the following:

- Government entities: Ministry of Commerce and Industry, Ministry of Health, Scientific Research Council, Mazoon Company for Electricity, Ministry of Manpower, Ministry of Foreign Affairs, Ministry of Higher Education, Oman Oil Company, Ministry of Education, Royal Oman Police, Ministry of Tourism, Ministry of Civil Service, Oman Central Bank, Oman Development Bank, Sultan Qaboos University, Ministry of Information, Al'Shura Council, Ministry of Interior, Royal Court Affairs, Diwan of Royal Court, Ministry of Regional Municipalities and Water Resources, Muscat Municipality, The Public Authority for Consumer Protection, Tender Board, Electricity Holding Company, Public Establishment for Industrial Estates.
- Private entities: Sohar University, Omantel, Bank Muscat, Port Services Corporation.

### Award Ceremony

Award Ceremony was held on the 3rd of December 2012 to announce this year's winners of the Sultan Qaboos Award for Excellence in eGovernment. Winners in ten categories were announced at a special awards ceremony organized by the Information Technology Authority (ITA), which was held at the Grand Hall, Sultan Qaboos University Cultural Center, in Muscat, Oman.

The prestigious event was held under the auspices of HE Mohammad Al Zubair, Advisor to H.M. The Sultan for Economic Planning Affairs, and in the presence of HE Ali bin Masoud Al Sunaidy, Chairman of the Information Technology Authority (ITA); Dr. Salim Sultan Al Ruzaiqi, CEO of ITA; along with senior officials and representatives from participating government institutions vying for the honor to win one of the prestigious Awards.

### Keynote Speaker – Sir Tim Berners-Lee

Sir Tim Berners-Lee, the creator of the World Wide Web (www), also attended the Award Ceremony and delivered a keynote speech on the occasion, where he spoke about the developments in the field of Information Technology and shared his outlook for the sector in the Sultanate.

The Award results are as follows:

**Table 2.3**  
Winner List

Award Category	Winning Project	Organization
Best eContent	ePolice Automation System	Royal Oman Police
Best eService (G2G)	Mawrid (Human Resources Management System)	Ministry of Civil Service
Best eService (G2B)	National Registration System (NRS)	Royal Oman Police
Best eService (G2C)	System of Shura Election & Municipal Councils Election	Ministry of Interior
eProject – Collaborative	Award Jury recommended sealing the category where no nomination had fulfilled relevant Criteria	
Best eService Mobile	Oman Educational Portal (Mobile services platform)	Ministry of Education
eProject – Individual	Estate Management System (EMS)	Public Establishments for Industrial Estates
eReadiness	MOMP eReadiness	Ministry of Manpower
Best Public eService Award	Port Services Corporation Customer User Interface	Port Services Corporation
Best Public Mobile Service Award	mBanking	Bank Muscat
Best eEconomy	Award Jury recommended sealing the category where no nomination had fulfilled relevant Criteria	
Best eService (G2E)	Documents Archiving & Correspondence System	Ministry of Commerce & Industry

## 2.5 eTransformation Plan

In his speech delivered to the Council of Oman in November 2008, His Majesty Sultan Qaboos emphasized the importance for developing citizens' technical and practical skills and providing necessary resources and training for their capabilities development, as well as encouraging them to seek diverse fields of knowledge. His Majesty also instructed the government to streamline procedures and transactions and use technology in implementing day-to-day tasks, in addition to focusing on the provision of eServices.

The Information Technology Authority of Oman presented a concept for the implementation plan and criteria for the transformation into eGovernment, which was approved by the Council of Ministers in its meeting on 12th June 2012. Instructions have since been issued to all governmental entities including the Information Technology Authority to enhance the quality of eServices provided to individuals.

Accordingly, the Information Technology Authority has:

- Held meetings and seminars for the governmental entities under the Change Management Plan where explanation was provided on the Plan, its implementation phases, objectives, criteria to be met, and how to commence the work with clear explanation on how to use corresponding forms and business frameworks.
- Allocated a website for the project, [www.ita.gov.om/egov](http://www.ita.gov.om/egov), which contain the eTransformation Plan, implementation criteria, work phases and project forms.
- Provided a Service Description Form, describing whether such a service is provided manually or electronically.
- Provided a business model and methodology for business process documentation and reengineering.
- Provided consultants in the business analysis field.
- Provided a model for explaining the eTransformation Plan to the governmental entities.
- Developed an overall change management plan in governmental organizations inclusive of awareness seminars and training courses for the people responsible for the project in the governmental entities.

- In October 2012, the Authority organized a symposium to familiarize the governmental entities with the eTransformation Plan.

Also provided by the Authority was an electronic system to measure readiness of the governmental entities for transformation into eGovernment, training the governmental entities in using the same and provided technical support to the governmental entities for system usage.

## 2.6 eVisa

The Sultanate of Oman is looking to enhance its eGovernment services to support tourism, business and investment sectors. In the light of the above, the government, represented by the Royal Oman Police (ROP) and ITA, appointed Societe Internationale Tele-communications Aeronautiques (SITA) in May 2012 to implement a state-of-the-art eVisa Project solution.

This project aims to simplify the process of obtaining a visa by converting the existing manual processes to an automated electronic process that integrates online payment procedures by using ITA's ePayment Gateway. The solution will also introduce visa stickers as per the international standard International Civil Aviation Organization (ICAO). In addition, the solution will share data with all relevant government stakeholders involved in the visa issuing process or tourism industry. Moreover, the solution aims to improve the existing network and information security.

A key goal of this project is to recruit and develop young Omanis to be able to handle the new system and to ultimately have operational independence. This will be achieved through on-the-job training and knowledge transfer with the deployment of a shadow team to work closely with SITA experts.

ITA has appointed Ernst & Young to manage the project and ensure the quality of the deliverables. SITA has completed an 'As-Is' study of the system and are currently working on the 'To-Be' designs and architectures. The next phase includes developing the system according to the 'To-Be' requirements and conducting the necessary testing. The new system is expected to be fully operational within the next 18 months.

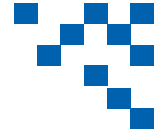


# National Infrastructure Development





# National Infrastructure Development



This section is concerned with the procedures taken to create and develop IT infrastructure and activate integrated projects aimed at developing government performance in the Sultanate. The following are the most important objectives set under this section:

- Enhancing the Official eGovernment Services Portal and using the same as an access to online government services.
- Deploying self-service devices on a large scale to make it easy to benefit from government services.
- Providing & enhancing channels which make it possible to benefit from government services via mobile devices.
- Providing wired & wireless broadband services at affordable rates across the Sultanate.
- Linking more government websites to the Oman Government Network.
- Developing a platform for integrated government services & applications to interlink and integrate government services.
- Providing a set of infrastructure components & applications by means of modern technologies, such as cloud computing, with the aim of supporting the development of government services through using standard components.
- Completing the ePayment infrastructure along with incorporating more ePayment options within the same.
- Upgrading the services & expanding the scope of the Unified Call Centre.

### 3.1 Omanuna (Official eGovernment Services Portal)

The Information Technology Authority (ITA) is endeavouring to transform the Sultanate of Oman into a sustainable Knowledge Society. It uses Information & Communication Technologies (ICT) to enhance government services, enrich businesses and empower individuals. The website of the Official eGovernment Services Portal, renamed in 2012 to 'Omanuna' – 'our Oman', serves as an outlet through which the user can access the various services and information offered by different government departments spread across the Sultanate of Oman.

Omanuna provides a wide range of services for citizens, residents, visitors, businesses and government officers. It provides a single sign-on to the portal services enabling people to complete their transactions safely, as it checks the user's identity card number, mobile number and finger print. Omanuna offers greater availability and accessibility through other channels such as mobiles and call center services. Achieving efficiency through eGovernment technology is what ITA seeks.

### The following achievements were reached in 2012:

- The average number of hits on the portal per day was approximately 1,300.
- e.oman Portal has been upgraded to the latest version of IBM products.
- e.oman portal has been enhanced with a new look and feel, enriched content, new functionalities added, as per UN recommendations.
- ITA's G-Cloud for sharing infrastructure projects was approved and scope was finalized. The cloud architecture was finalized with the vendor.
- Content verification test was done by ITA employees and all received suggestions were used to update the portal design.
- The enhanced portal design was launched in the latter half of 2012.
- Portal upgrade has been completed in a test and development environment and the enhanced portal was migrated.

### 3.2 Public Key Infrastructure Technology (PKI)

Public Key Infrastructure Technology (PKI) represents an integrated security system for digital key management, as used for information security and user identity authentication. It also aims at maintaining data integrity against unauthorized access or alteration.

The Information Technology Authority has long been striving to have an e-signature facility. Implementing e-verification through the PKI is clearly found to be aligned with the aims of Oman's Digital Strategy for developing an integrated and secure infrastructure for retrieving and gaining access to information resources. This project eases the process for customers dealing with governmental bodies across the State electronically and further boosts their confidence with regard to such types of transactions, as we aim to achieve the notion of a "Secure Digital Economy" for the Sultanate.

Upon its implementation, expected to take place in 2013, the following are the most important services to be included into this project:

1. **Information Confidentiality:** Enables users to exchange data via means that would prevent others from finding out the nature of such information or data.
2. **Identity Authentication:** Allows users to know the identity of other, conclusively.
3. **Data Integrity:** Maintains and assures the accuracy and consistency of data.
4. **E-Signature:** Enhances a user's ability for signing electronically, in a manner that could be verified at the receiver's end.
5. **Privileges Delegation:** Limits the scope of privileges so granted to any person authorized to do some task, while ensuring that such privileges shall vary from one user to the other.

It is important to note that this project is considered to be one application of the existing eTransactions Law (69/2008).

Get in Touch

**800 77 77 77**

### 3.3 Central Call Center

The Call Center, established to assist Portal visitors and users of eGovernment services, is available 24 hours a day, by calling the toll free number 80077777 and responding to e-mail queries. The support provided by the Call Center was expanded to include responding to queries about the National Data Center, the Oman Government Network and the Information Security Division.

### 3.4 Kiosks

These devices facilitate access to eGovernment services which the Authority seeks to make available across the different regions of the Sultanate.

The following are the most important achievements carried out during 2012:

- New kiosk application was developed, with improved functionalities, and installed in all locations.
- Complete installation of 24 kiosks, with remaining 6 locations finalized.
- 8 damaged kiosks were replaced.

### 3.5 Oman Government Network (OGN)

The Oman Government Network (OGN) is a national communication infrastructure linking all government entities to support all e.oman projects and enhance public services. The OGN links all ministries and different government units and promotes some eServices.

#### OGN Achievements for 2012

- A total of 95 new sites were added to the Oman Government Network by end of 2012.
- Total number of OGN connected sites reached 697 connections with 70 added in 2012.
- OGN contract with OmanTel was renewed in August 2012 for 5 more years. The team added some important clauses that enforce penalties for monitoring system issues.
- Approximately 500 Change Requests handled in 2012, with approximately 85 Change Requests handled quarterly.
- On average 2,000 incidents are reported and resolved (including performance, faults and troubleshooting) quarterly. Approximately 6300 incident reported and resolved in 2012.

### 3.6 ePayment Gateway

The ePayment Gateway is a complete set of tools and solutions provided by the ITA, so as to facilitate secure electronic payment processes. Since having been launched in 2008, the ePayment Gateway has been used with confidence by companies, the public sector and citizens. This Gateway has contributed to confirming the effectiveness of eTransactions in the Sultanate, as well as simplifying electronic transactions and services.

Utilizing the Gateway also granted merchants in the Sultanate the opportunity to conduct online sales of their products and services to customers worldwide. The project is regarded as a contact point of the infrastructure in the Omani ePayment system, so as to handle its processes including exchange operations, transaction finalization systems, and settlement systems. The project is distinguished for adopting the latest techniques of electronic and technological security and secrecy.

Table 3.1

ePayment	Merchants Joined in 2012		
	<ul style="list-style-type: none"> <li>• <b>2 Government Entities</b></li> <li>– Ministry of Defence</li> <li>– Sultan Qaboos University</li> </ul>	<ul style="list-style-type: none"> <li>• <b>4 Private Companies</b></li> <li>– OMANEXPO LLC</li> <li>– Muamalat LLC</li> <li>– Abraj International</li> <li>– Seven Galaxies</li> </ul>	<ul style="list-style-type: none"> <li>• <b>1 NGO</b></li> <li>– Social development committee of Wilayat Al Seeb</li> </ul>

Table 3.2

Total number of transactions & volume through the epayment gateway during 2012:

No. of Transactions	Volume in OMR	Average Monthly Transactions	Average Monthly Volume in OMR
125,570	4,280,676.650	10,464	356,723.054

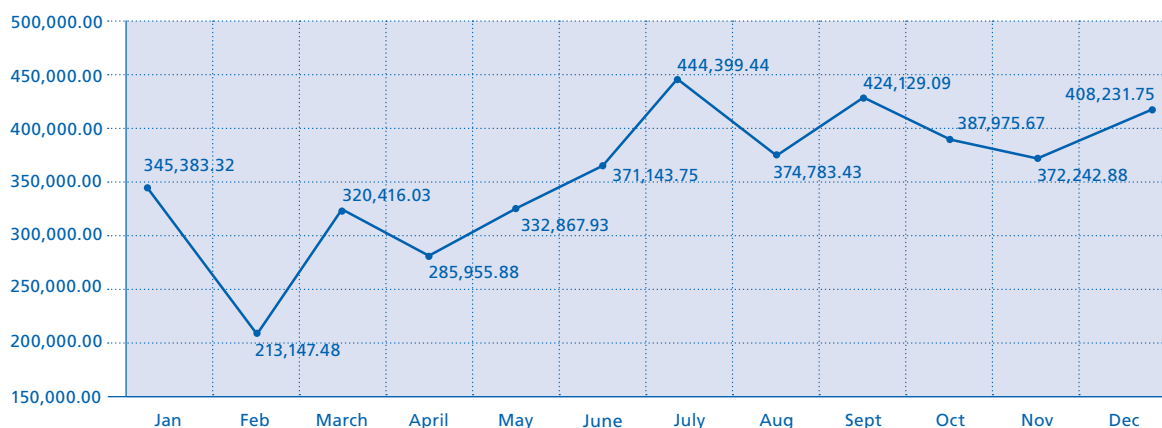
Table 3.3

Total number & amount of donations done through online donation portal recorded in 2012:

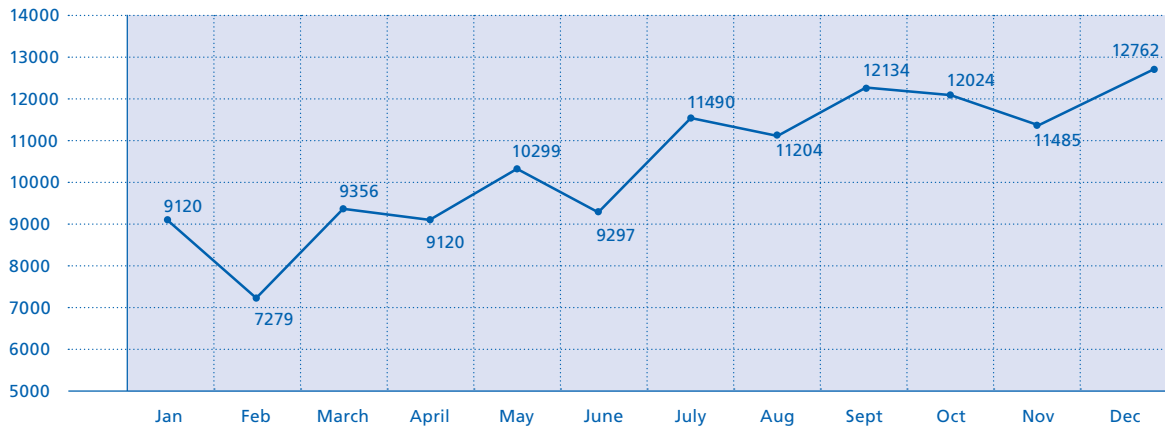
Number of Charitable Organizations	Total Number of Donations	Total Volume of Donations in OMR
10	5,383	114,480.000

Chart 3.1

Total Value in OMR – 2012



**Chart 3.2**  
No. Transactions – 2012



### 3.7 Donations Portal for Charitable Organizations

The Donations Portal for Charitable Organizations is regarded as one of the pioneering projects adopted by ITA, with the support of the Ministry of Social Development. The Portal is available on a website which receives donations electronically via the ePayment Gateway. The donations are then electronically transferred to participating Omani charitable associations.

Table 3.11 shows the total number of transactions and the value of donations carried out in 2012, along with the corresponding merchant ID:

**Table 3.4**

Merchant ID	Merchant Name	Total No. of TXN	Total Value in OMR
GOVITA06	Al Noor Association for the Blind	93	1,181.000
GOVITA07	Association for the Welfare of Handicapped Children	76	1,1403.000
GOVITA09	Omani Association for the Disabled	57	539.000
GOVITA10	National Association for Cancer Awareness (NACA)	81	750.000
GOVITA15	Association of Early Intervention for Children with Disabilities	78	2,342.000
GOVITA16	Dar al Atta Association	1,855	43,714.000
GOVITA17	Environment Society of Oman	38	363.000
GOVITA24	Oman Hereditary Blood Disorder Association	60	1,010.000
GOVITA29	Oman Charitable Organization (OCO)	2,984	62,964.000
GOVITA34	National Association for Cancer Awareness (Al Dahkha Governorate)	60	475.000
<b>Total</b>		<b>5,382</b>	<b>124,741.000</b>

The newest charity to join in 2012 was GOVITA34, which is a branch of NACA located in the Al Dahkha Governorate.

### 3.8 National Data Center (NDC)

The National Data Center (NDC) was established as a multi-purpose Center with high readiness and is available to host government agencies and institutions' data and electronic systems. It also determines solutions to mitigate disasters and achieve business continuity for the various IT systems. Moreover, the NDC hosts the ITA infrastructure projects and systems.

Launched on 3 May 2009, the National Data Center (NDC) hosted a total of 21 clients in 2012 as following:

Table 3.5

No.	National Project / Government Entity	Status	Site Type
1	Omanuna Portal	Operational	Primary
2	ITA Internal IT	Operational	Primary
3	Center of Information Security	Operational	Primary
4	Oman's National CERT	Operational	Primary
5	eTendering	Operational	Primary
6	Ministry of Oil & Gas	Operational	DR
7	Oman Development Bank	Operational	DR
8	Public Establishment for Industrial Estates	Operational	DR
9	Telecommunication Regulatory Authority	Operational	DR
10	Ministry of National Economy	Operational	DR
11	Oman Post (ePost Project)	Operational	Primary
12	Oman Oil Company	Operational	DR
13	Central Bank of Oman	Operational	DR
14	Higher Education Admissions Center	Operational	DR
15	Muscat Securities Market	Operational	DR
16	Oman Investment Fund	Operational	DR
17	Public Authority for Insurance	Operational	DR
18	Public Key Infrastructure	Operational	Primary
19	Ministry of Commerce & Industry	Operational	DR
20	Ministry of Manpower	Operational	DR
21	Salalah Free Zone	In Transit	DR

## Rack & Storage utilization for NDC & ITA DRS for 2012: National Data Center



Percentage of rack space utilized/booked by NDC clients out of client server rack space (96 server racks):

**81.25%**

Percentage of rack space free for future clients out of client server rack space (96 server racks):

**18.75%**

NDC Current Storage Capacity is 31TB out of which:

**23TB** is allocated,  
**8TB** is unallocated.

## ITA Disaster Recovery Site (DRS)



Percentage of rack space utilized/booked by NDC clients out of client server rack space (16 server racks):

**87.5%**

Percentage of rack space free for future clients out of client server rack space (16 server racks):

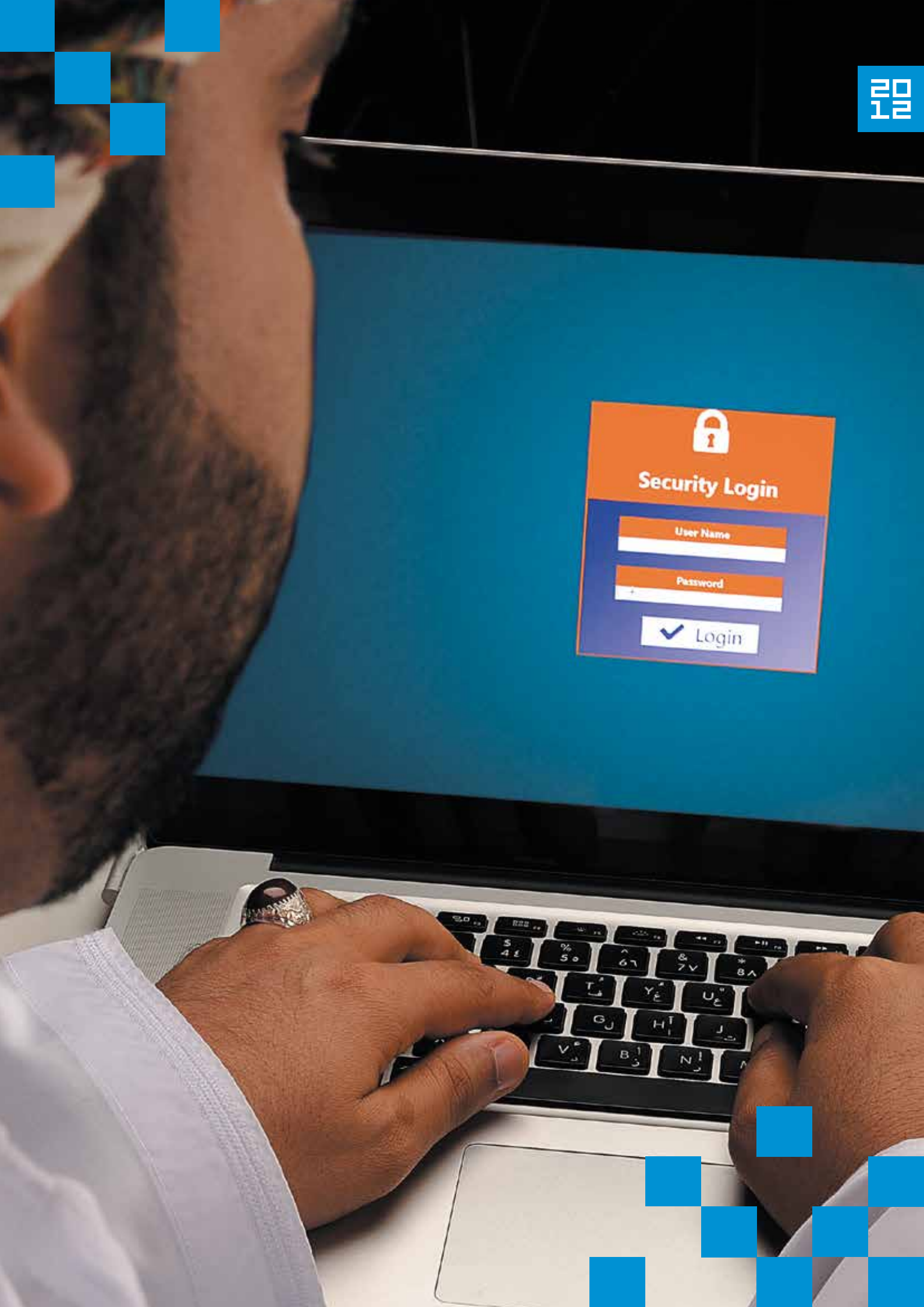
**12.5%**



# 04 Information Security & Cyber Security



A digital security login form is displayed on a laptop screen. The form has an orange header with a white padlock icon and the text "Security Login". Below the header, there are two input fields: "User Name" and "Password", each with an orange label and a white input box. At the bottom of the form is a white button with a blue checkmark icon and the text "Login". The background of the screen is a solid blue color.





## Information Security & Cyber Security



This section is of paramount importance in terms of providing a secure environment that guarantees the protection of computer users, whether during internet surfing or domestic use, which could yield positive impact in achieving the objective of e.oman Strategy and providing information security and consequently increasing the IT beneficiary segments in the Sultanate. Therefore, the Authority is seeking to achieve a number of goals in this regard, which include:

- Establishing a reliable call center to report any security accidents relating to ICT.
- Building trust in terms of using eGovernment services.
- Raising security awareness concerning the Oman cyber space.
- Building a security capacity in order to handle any security accidents relating to PCs or the Internet.
- Providing accurate and updated information on any security threats, as well as any current or potential weaknesses and analyzing the same.
- Providing proactive measures so as to minimize security accidents.
- Responding to security accidents and mitigating their impacts.
- Encouraging research and development in the field of information security.
- Coordinating with computer emergency response teams on the regional and international levels.



### ITA Fact

Number of malicious attempts against secure government portals which were prevented and analyzed

**97,322**

#### 4.1 Information Security Division (ISD)

The Information Security Division (ISD) was established with the vision to be the leader in government information security excellence in Oman. ISD aims at developing and promoting effective security solutions to safeguard all government end customer operations to ensure business continuity, data integrity and security according to international standards and security best practices. To achieve its mission, ISD currently provides a number of security services to government organizations such as secure communication, secure web portals, secure Internet access, end-point security, security operations, and security assessment.

#### 4.2 ISD Achievements in 2012:

- Secured 77 government entities including 3 HQs (MoIN, PASI, and OCCI Oman Chamber) through the Secure Communication Service.
- Secured 11 government web portals through the Web Portal Protection Service (ITA, Oman Portal [through the staging environment], Oman Kids Portal, MoH, OeGAF, ITA ERP (main), ITA ERP (redirect), OSS Portal, and eGovernment Transformation Portal).
- Provided comprehensive security assessment to 10 government organizations (MoCS, MoD, MoI, MoJ, MoH, ITA, MoT, MoCI, ISS, and TRC). The assessment included one or more of the following: security architecture review, network-level security assessment (i.e., simulating an insider's attack), web/application-level security assessment (i.e., simulating an outsider's attack), physical security assessment, vulnerability assessment, risk assessment, and policy review.
- Provided security notes to 11 government organizations (MoHS, ROP, SQU, MoIN, MoRM, Dhofar Municipality, Tender Board, SCP, Office of Minister of State and Governor of Dhofar, MoI, and AJC) on critical vulnerabilities found on their websites with detailed recommendations on how to close them.
- Prevented and analyzed 97,322 malicious attempts against secure government portals.
- Prevented and analyzed 4,256 malicious attempts against internal government networks and the secure government network.
- Scanned 9,217 IP Addresses for Potential Dangerous Activities.
- Discovered 33,250 vulnerabilities through ISD Security Assessment Service and sent detailed reports to organizations with recommendations to fix and close the discovered vulnerabilities.
- Analysed 11,745 Spyware and 696,245 virus and malicious ware to determine the main cause of infection and prevent it from the source. Detailed reports with recommendations were sent to their respective government organizations
- Studied URL violations in secured ministries and respectively applied security policies to protect them from harmful websites.
- Prevented and analyzed 865,046 web violations and sent detailed analysis reports to the respective government organizations.
- Solved and closed 377 incidents in different government organizations and implemented 123 change requests related to ISD security provided services.
- Provided consultancy to 15 organizations (ITA, MoHS, MoH, DRC, MoMP, netzone (Omantel), GBM, MoCS, MoAG, MoT, MoSD, MoCI, GoM, SFZCO, and TRC) for various issues related to the secure communication service and some security incidents.
- Provided consultancy services 11 organizations (State Audit, SCTP, MoSA, MoAG, TRC and PEIE, ITA, MoHS, and TRC) for various issues related to end-point security service.
- Prepared and sent 11 detailed malicious ware analysis reports to different organizations. The reports included detailed analysis of the malicious ware activities in those organizations with detailed recommendations to mitigate their risks.
- Developed 2 in-House security incident analysis tools. The tools were designed and developed to help ISD security analysts analyse various security threats and incidents and provide appropriate and prioritized response to them.
- Started the implementation of the e.oman staging environment. The staging environment is intended to be an exact replica of the e.oman production environment and allows the ISD team to test all modifications and changes to e.oman, before it goes live on the production environment.
- Started the implementation of the decentralized Secure Internet Access (SIA) service in GoM. Once fully tested, this service will be extended to 9 additional organizations in 2013. This service will greatly help prevent many threats originating from the Internet and will definitely boost the security of government organizations.

- Finalized, tested, and verified technical concepts to meet new business requirements from different government organizations such as supporting secure mesh and extended star topologies, grades of security services, decentralized DMZ services, and secure remote access. These concepts will enable ISD to further expand the coverage of its security services to all government organizations.
- Connected 5 more organizations (MoCS, MoFA, MoE, MoMP and MoH) to the secure self-help portal (the total is currently 16). This portal will enable such organizations to register security incidents online and will serve as a knowledge hub in information security for government organizations where ISD staff can share knowledge and experiences with government organizations in a secure manner.
- Implemented the open-source unified security management tool (AlienVault). The tool was implemented, fine-tuned, and managed solely by ISD staff and it improved the capabilities of ISD Security Operations Centre to analyse various types of threats against the government of Oman.
- Participated in the drafting of ITA Web Hosting and Internet and Email Usage Policies for the government.
- Provided detailed roadmap for the newly established security offices in Governance of Dhofar and MoJ with detailed descriptions of the required functions and job descriptions. In addition, ISD shared such roadmap with job descriptions with Governance and Advisory Division to be generalized to the whole government.
- Provided secure communication service to one semi-government organization (Salalah Free Trade) through the Internet (for the first time after a secure designed was developed, tested and verified solely by ISD security experts). This achievement has expanded the coverage of secure communication to include the Internet besides MPLS.
- Analysed ITA internal IT network security architecture and proposed more secure network architecture with proper zoning and protection measures. Also, provided consultancy on the policies and services that would maximize the security of ITA internal IT network.
- Reviewed the security requirements of the Cabinet of Ministers RFP for Decision Support System and where detailed comments and recommendations were sent to them on how to improve the security of the system.
- As a continuous enhancement to ISD security management system and due to the move to KOM, a new ISMS risk assessment was completed and risk controls were adopted accordingly.
- Designed, tested and implement ISD Application Security Service Zoning Concept which will enable ISD to provide application security services such as AV and VM to the respective government organizations in a secure, structured, and organized way.
- As part of the ISD society outreach program, participated in the following events:
  - COMEX exhibition with an ISD stand, HM Award Launch (opening session)
  - COMEX (2 sessions on “Information Security Management” and “Tips for Submission for the HM Award”)
  - HM Award workshops (session on “Designing Secure Web-Applications”)
  - Digital Crime Workshop (session on Digital Crimes, Challenges and Solutions from the ISD perspective)
  - Salalah Tourist Festival 2012 (3 sessions on “Preventing Digital Crimes from the Source”, “Designing Secure Web Applications”, and “ Designing Secure Networks”)
  - IT Security Conference by Omantel (session on “Cloud Computing: Security Issues and Research Directions”)
  - Cyber Security UAE 2012 Summit (session on “Oman Experience in Ensuring National Cyber Security”)
  - ITU Telecom World 2012 (panel discussion on “National Critical Infrastructure”)
  - United Nations/Macao IT Week ( session on “Building an Effective Information Security Program”)
- Continued the participation in the following committees: ISMS, PKI, NDCR, ITA BCM, HM Award, GCC Award for eGovernment, Omani Inventors, Enterprise Risk Management, Internet Misuse, TRC Research Grant Committee in ICT sector, Academic Committee of University of Oman, eGovernment Transformation, and Virtual ITA Academy.
- Launched the TechBoost Information Security Campaign for 2012 under the theme “Digital Crime”. The campaign is intended to share and discuss with ITA staff some of the hot topics in digital crimes. During this campaign, 8 different sessions were presented and discussed.

## Oman National CERT (OCERT)

### OCERT Core Services

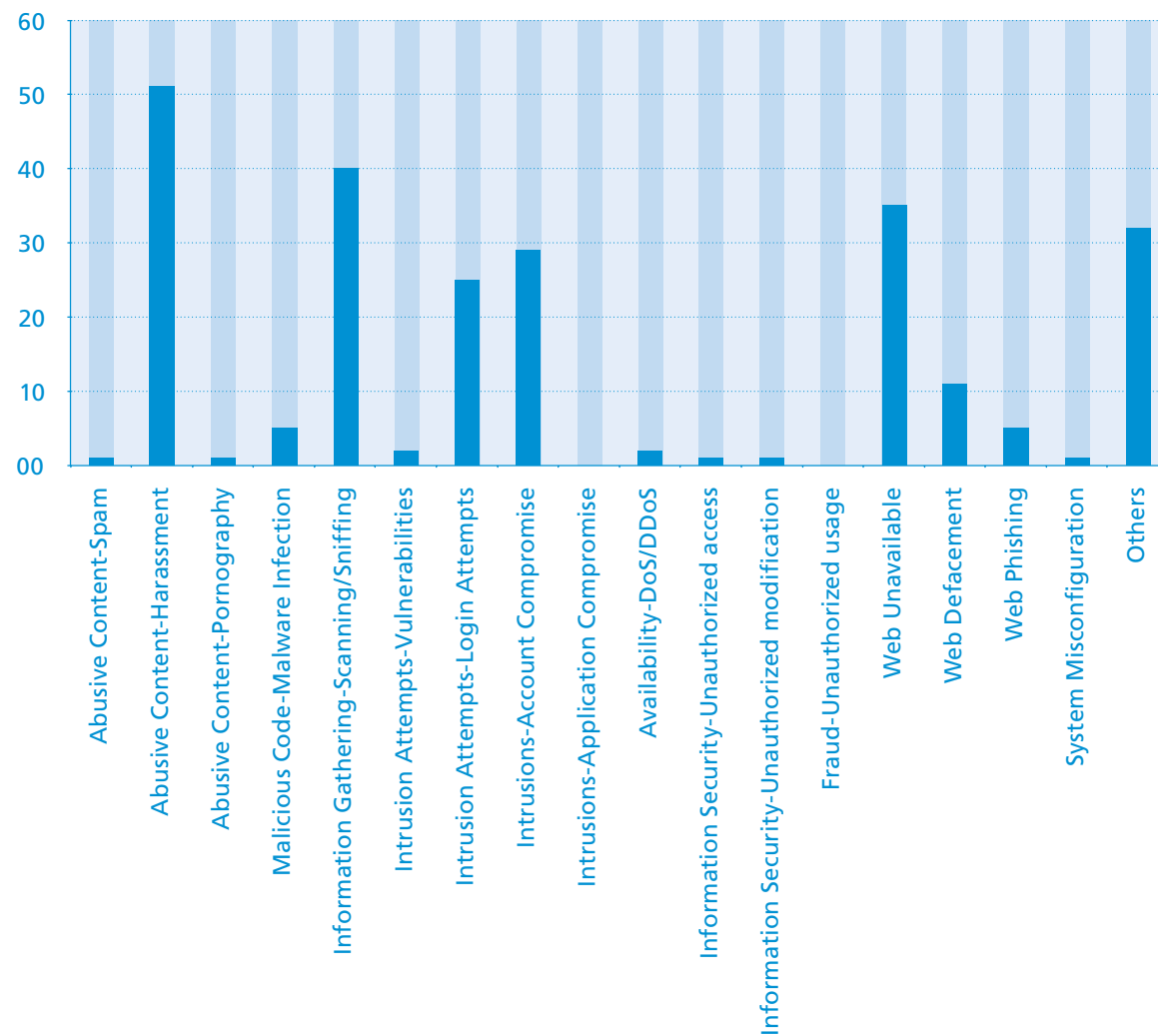
#### 4.3 Cyber Security Incidents Response

Since the establishment of OCERT in 2010, OCERT has been continuously working to effectively improve its cyber security incident response capabilities, keeping up-to-date with the advancement of the ever changing cyber security threats in Oman's Cyberspace. The shift of emerging threats targeting specific sectors

of the constituents OCERT protects (e.g. Critical National Infrastructures), OCERT has not only improved its incident handling and analysis structure, but has invested heavily in the team's knowledge growth and skill building to be prepared to handle more complex attacks from external threats.

The graph below illustrates the number and classification of incidents that were handled by OCERT during 2012.

**Chart 4.1**  
Incident Statistics 2012



Continuing the impressive 100% incident resolved rate from 2011, there was an increase of 13.5% from the total number incidents reported to OCERT in 2012.

**Table 4.1**

	Incidents Handled	Incidents Resolved
Q1	83	83
Q2	75	75
Q3	72	72
Q4	64	64

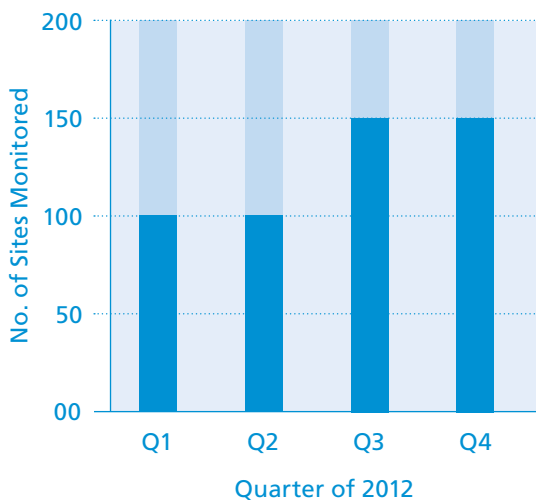
This table illustrates the number of incidents resolved and handled by OCERT during 2012.

**4.4 Cyber Security Monitoring**

Cyber Security Monitoring is a service that provides the constituents with a proactive and reactive response to cyber security attacks, threats and incidents in real-time. OCERT’s Cyber Security Monitoring services monitors live sites for discovering advanced persistent threat and attack attempts and reports such to the constituents should there be an attempt or successful breach.

The success of the service has prompted many members of the constituents to engage OCERT for this service, thus increasing the number of sites monitored by 21% from 2011 of 123 sites to 150 sites in 2012.

**Chart 4.2**  
Sites Monitored



**4.5 Threats Notifications & Alert Services (TNAS)**

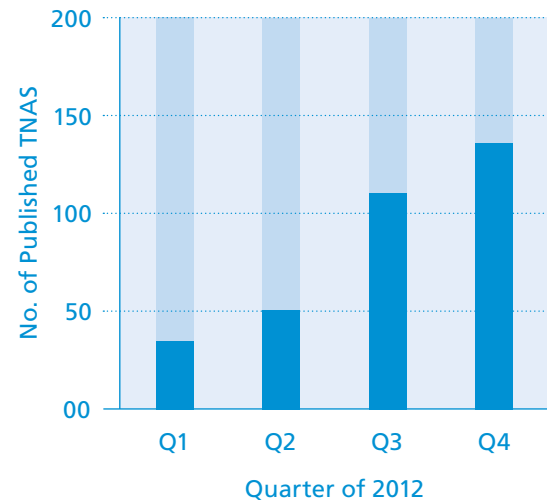
The OCERT Threat Notification and Alert Services is an opt-in service that enables any member of the constituent that subscribes for this service to receive instant up-to-date notification of the latest threats and advisory released across various vendors.

The summarized notification will give the subscriber up-to-date notification that might affect one or more elements within their network.

The notification includes key information such as vulnerability details, areas of impact and recommended mitigation steps or offers a safe work-around whenever available.

In 2012, a total number of 356 TNAS were sent to OCERT constituents.

**Chart 4.3**  
TNAS for 2012

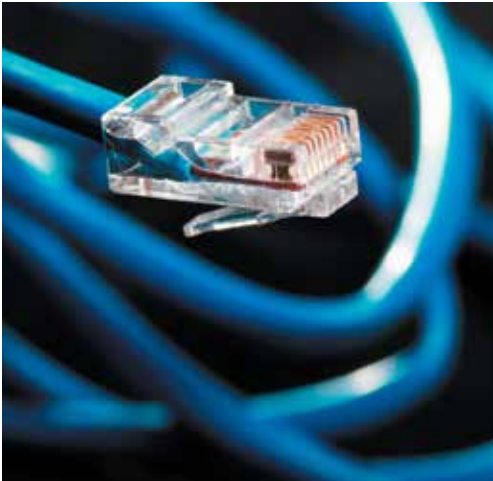
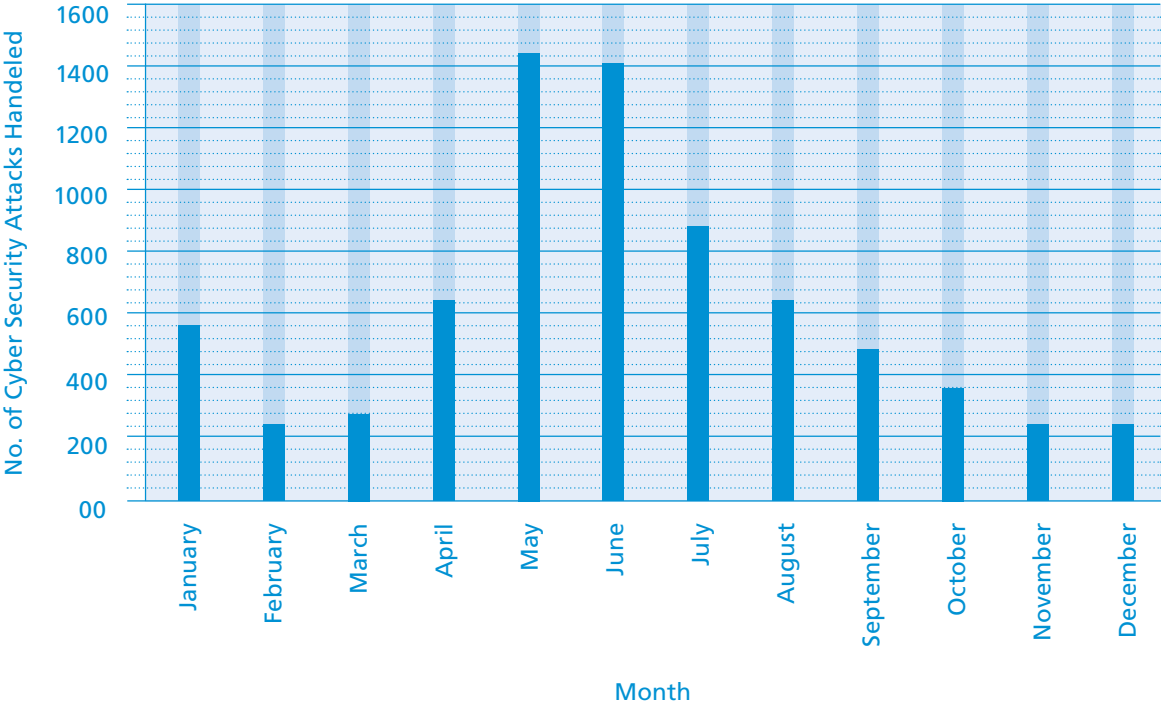


### 4.6 Cyber Security Intelligence Gathering

OCERT's Intelligence Gathering team continuously monitors the cyber space of Oman against cyber-attacks. Such monitoring is considered to be one of the most proactive cyber security services offered by OCERT. The detection of such cyber-attacks helps in taking proactive measures to control the attacks and minimize its impacts and consequences.

OCERT's Intelligence Gathering team OCERT has handled almost 22,431 cyber security attacks, which is a significant increase of 28.8% from 2011.

Chart 4.4  
Incident Statistics 2012



#### 4.7 Malware Statistics

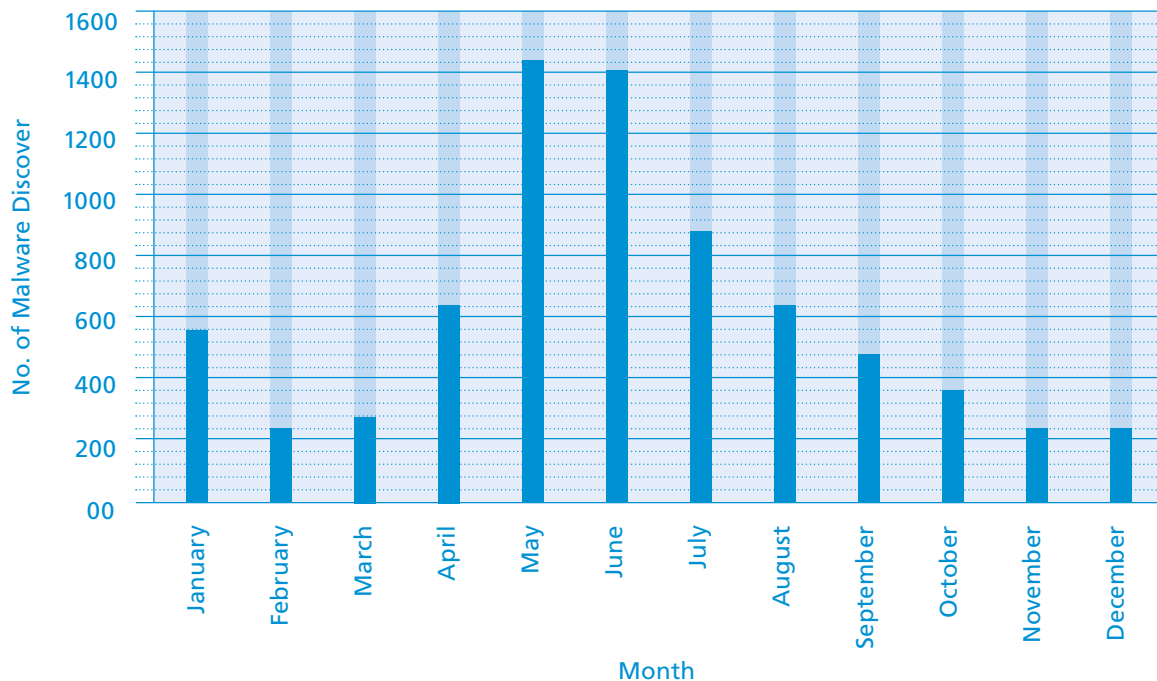
Malicious Software, or Malware for short, is a general term used to describe any kind of software or code specifically designed to exploit a computer, or the data it contains, without consent. Its primary design, whether in the form of software, downloadable script or code, is to disrupt computer operation, gather sensitive information, or gain unauthorized access to computer systems.

Malware includes computer viruses, worms, Trojan horses, spyware, adware, most rootkits, and other malicious programs.

In 2012 OCERT discovered and handled about 7,673 of Malware, up from 2,567, resulting in close to a 200% increase from 2011.

**Chart 4.5**

Below outlines the Malware statistics for each month in 2012.



#### 4.8 Vulnerability Assessment & Penetration Testing (VAPT)

Vulnerability Assessment and Penetration Testing (VAPT) Services help organizations to identify and mitigate network vulnerabilities and system security issues. OCERT's network vulnerability assessment assesses security and vulnerabilities in IT infrastructures via risk assessment, asset identification and evaluation, creation of vulnerability management architecture and risk mitigation.

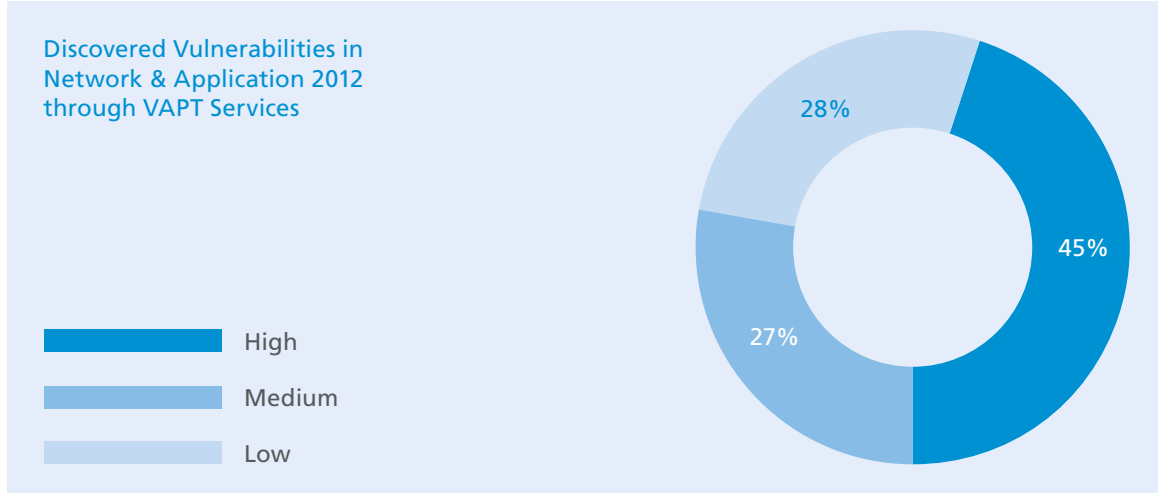
OCERT's penetration testing service provides a standardized methodology for scoping, planning, performing, reporting, and managing security and vulnerability assessment to determine the risks and vulnerabilities inherent in the network.

OCERT's comprehensive and customized VAPT service will identify an organization's impact should vulnerabilities be exploited. Using an extensive range of technologies our team is able to simulate and perform specific tests, which are not practical in a production environment.

In 2012, OCERT conducted 10 major vulnerability assessment and penetration tests for government and critical national infrastructure organizations.

This chart outlines the total percentage of risks for every risk category.

Chart 4.6



#### 4.9 Digital Forensics

Launched in 2011, OCERT’s Digital Forensic Service uses science to investigate and establish facts and evidence in criminal court, by the acquisition, examination, analysis and reporting of information found on any digital device that has the capabilities of storing, transporting and ciphering digital data. This is to determine if the accused devices have been used for illegal or unauthorized activities, or if the accused are the “victims” of an illegal attack themselves.

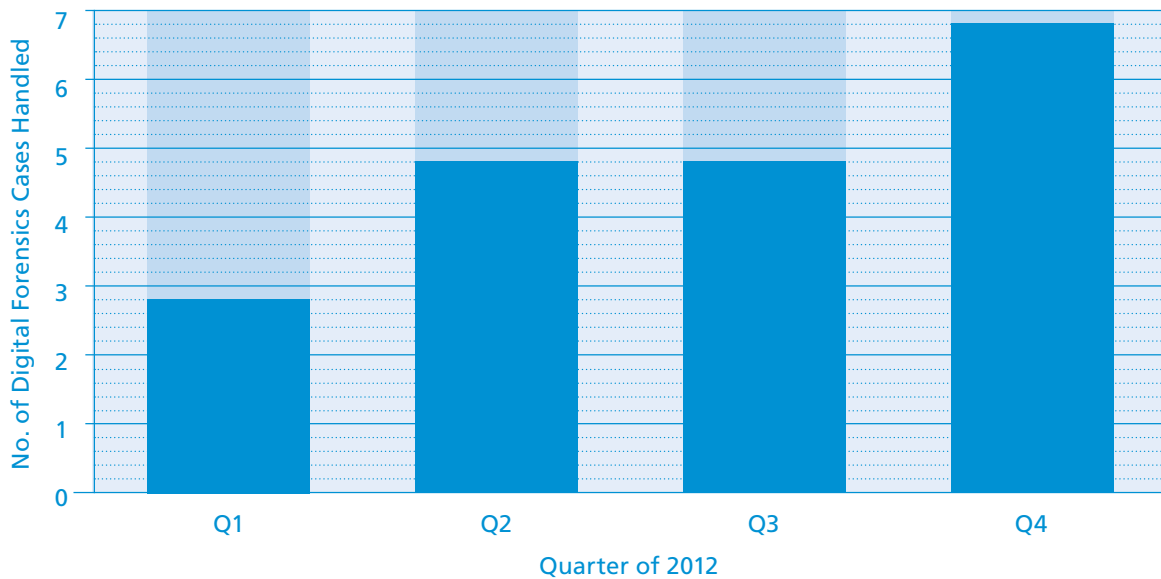
OCERT’s Digital Forensic Service offers the following services and consultancy to the constituency:

- Computer Forensics
- Mobile Device Forensics
- Data Recovery

In 2012 OCERT handled 20 digital forensics critical cases with positive results.

Chart 4.7

Below outlines the digital forensics cases in 2012:





#### 4.10 Cyber-Security Training & Awareness

OCERT's Cyber-Security Training and Awareness department has come a long way in building and constantly improving the capabilities of cyber and information security awareness advocacy in the Sultanate with proven positive outcome.

The function of the department expanded in 2012 by not only providing Training and Awareness for OCERT's constituents, but also serving as the primary advocate for Cyber Security Awareness across the Arab region.

Cyber security Workshops, seminar and conferences are designed to establish a professional connection and networking between OCERT and the private sector, professional bodies and IT societies in the sultanate and regionally.

OCERT has successfully organized or participated in events showcasing OCERT services, either through conferences, exhibitions, seminars and public speaking.

In 2012 OCERT set the bar higher by achieving the following results:

##### Achievements

- Organized an Information Security Systems & Policies management workshop for the Government
- Conducted a 'Train-the-Trainer' (TTT) workshop on information security policy development attended by 25 information security officers from the Government
- Organized 10 security awareness workshops at Government organizations at part of Unified Government Security Campaign – "Waay"
- Conducted cyber security awareness session for the top management of a Critical National Infrastructure Organization
- Conducted an Information Security Awareness workshop in collaboration with Oman Chamber of Commerce
- Participated in the Nizwa College of Technology's 3rd Symposium on Cyber Security
- Conducting a training workshop on digital criminal evidence for ROP
- Organized a Cyber Defense Summit in Muscat attended by the regional top professionals
- Organized a Cyber Security Conference for Students & Academics at the Salalah College of Technology
- OCERT organizing an Information Security awareness session for people with special needs
- Participating at the First International Cyber Security Forum for Energy & Utilities, that is hosted in Abu Dhabi in cooperation with major international & national Organizations

##### National Participation

- COMEX 2012
- Muscat Festival
- Salalah Festival
- Cyber Crime Conference

## Regional Participation

- Digital security summit in Riyadh
- Asia cyber security conference in Kuala Lumpur
- First Meeting of Arab cyber security experts in Lebanon
- ITU “Regional Workshop on the Legal Aspects of Child Online Protection in the Arab Region” in Algeria
- Regional Cyber Security drill/assessment to evaluate the readiness of Arab CERTS in responding to security attacks
- Meeting of Arab Net for telecom regulators in Algeria
- Arab ICT ministerial meeting in Algeria
- ITU Arab Connect Summit in Doha

## International Participation

- Forum of incident & security teams FIRST 2012 Conference & AGM in Malta
- ITU legal framework workshop on child online protection in Algeria
- World Summit on the Information Society (WSIS) in Geneva
- Dialogue Workshop with the European Union in Brussels

## Key Projects In 2012

### 4.11 Intelligence Gathering Portal (IGP)

This Portal is an application that developed in-house to gather, filter and classify different cyber-attacks. IGP has numerous features as follows:

- It gathers all the different attacks on one screen, so it shows the global view of different attacks in the world in multi-colors based on the type of attacks
- IGP can show 3 main types of attacks: Malware, Web Attacks & Network Attacks
- It contains a “dashboard” that gathers all yearly & monthly statistics
- It details every type of attack such as Top Source Countries of Attacks & Top Attacker IP
- IGP has the search capabilities based on certain criteria such as, Month, Year, IP Address & Country
- It also has online Malware analysis capabilities

#### 4.12 Automated Malware Analysis System Deployment

This system was deployed in order to conduct automated analysis any suspicious file and then provide the analyst with full detailed results outlining what such file did when executed inside an isolated environment. The project helps in Malware analysis and it adds a great value for Malware analysis lab. Moreover, it will enhance the responses capability for the cyber security crime that uses Malware as weapon for hacking.

#### 4.13 Cyber Clean Program (CCP)

The Cyber Clean Program is an OCERT initiative established to fight "Botnets" and Malware threats. The project works on a concept of making people aware of the risks of being part of a botnet chain. The CCP project breaks down this process into three main stages: learning, scanning and preventing. OCERT's proactive collaboration with local ISPs (Internet Service Provider) will ensure that this campaign will continually yield positive results.

#### 4.14 Web Security Learning Applications

These applications are dedicated for OCERT's Ambassadors program and are used primarily for learning and practice purposes. The project consists of different platforms and applications where participants have access to numerous operation systems and web servers in which to learn and practice offensive and defensive skills.

#### 4.15 Cyber Security Ambassador Program Updates in 2012

In 2011, OCERT launched the OCERT Cyber Security Ambassador Program as a national initiative addressing cyber security. The program was introduced to create a permanent link between OCERT and its constituents.

As part of the continuous updates of the Ambassadors program the following additions have been added:

##### (i) Ambassadors Forum Launched

The Ambassadors Cyber Security Forum was launched in 2012. The Forum is intended to be a very active discussion tool for professionals and academics in the field of Information Security and is packed with many features including:

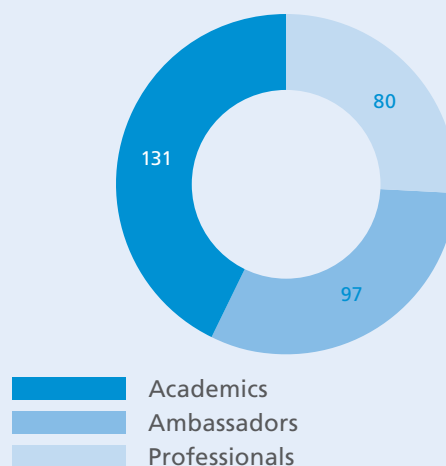
- Interesting dedicated forums
- Thread-based topics & replies
- Simple interactive interface
- Award points system & medals
- Private messaging features
- Friends & buddy lists
- Facility to thank, watch & tag topics as favorites
- Polls can be added to posts
- Receive notifications via email
- Real identity avatars & accounts
- Topics & posts search system
- OCERT Campaigns forum
- Latest Ambassadors' Program announcements

##### (ii) Online Awareness Campaign

Following OCERT's objectives to build cyber security awareness in the Omani cyber space and engaging Omani Talents in this process, the Online Awareness Campaign was launched with the help of OCERT Ambassadors.

Chart 4.8

Ambassadors Program Progress  
308 Ambassadors in 2012

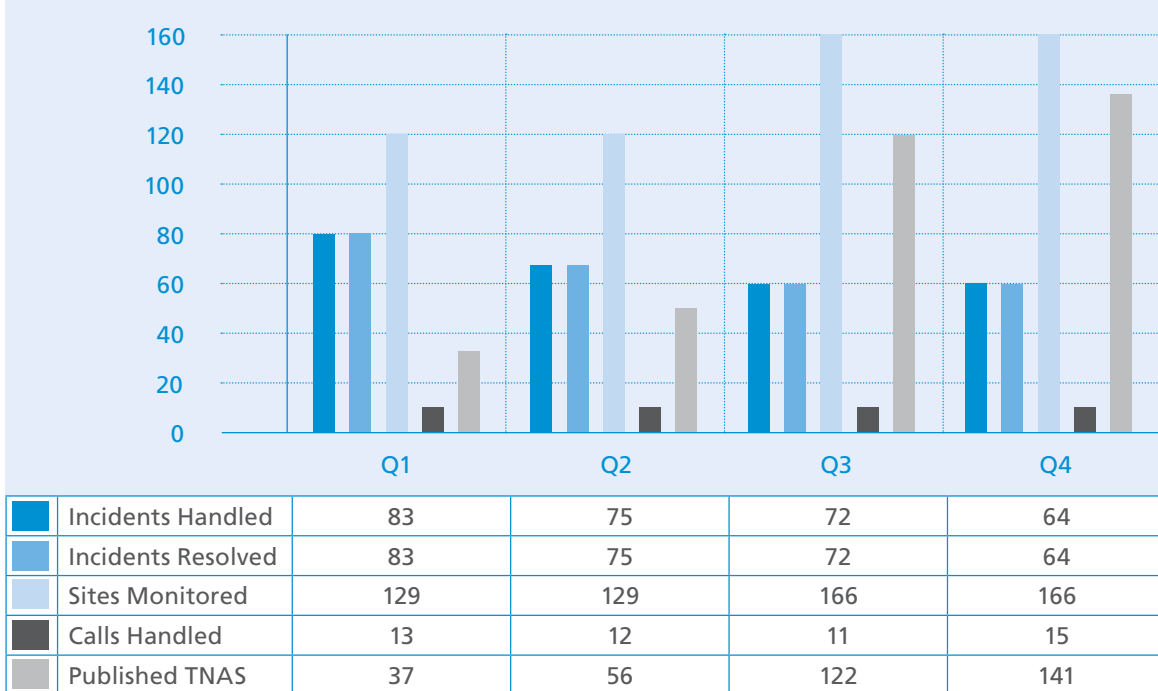


#### 4.16 Prominent Events 2012

- OCERT designated as ITU Regional Cyber Security Center of MENA Region
- OIC-CERT Annual Conference 2012 was held 30 December 2012

**Chart 4.9**

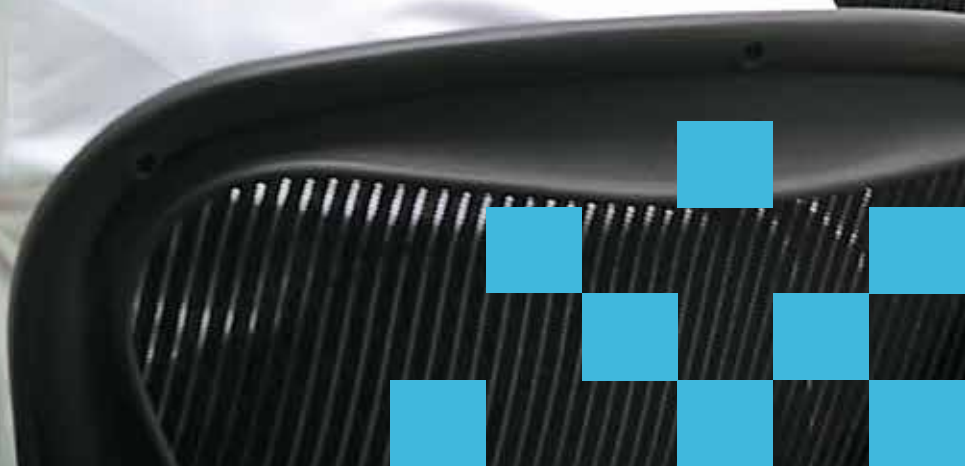
The following chart outlines CERT statistics





# OS ICT Industry Development





## ICT Industry Development



The significance of this section stems from its focus on developing the IT industry in Oman in terms of digital content and the development of applications. The overall aim is to be able to develop and market Omani IT products locally and abroad, consequently rendering positive impact on the local market and bolstering the Omani economy towards a comprehensive and sustainable development, ultimately enhancing the Sultanate's global ranking in the field of ICT. And to make this goal a reality, the ITA has adopted a number of procedures, which include:

- Encouraging multinationals to establish branches and operate in Oman.
- Focusing on developing the IT industry by providing IT solutions.
- Developing the capacity of Oman's IT industry in the areas of digital content and developing applications and market its products on the local and external levels.
- Supporting the partnerships between Omani IT corporations and their international counterparts.
- Creating support services for the IT industry to pave the way for multinationals to launch their activities from within the Sultanate.
- Creating support services for the IT industry to pave the way for multinationals to launch their activities from within the Sultanate.
- Providing the necessary administrative, financial and technical support for SMEs through respective incubation programs.
- Boosting the role of associations in building partnerships and developing means of cooperation between the companies operating in the sector.



### ITA Fact

Number of trainees taking specialized courses run by the Innovation & Support Centre in 2012

# 200

### 5.1 Innovation & Support Centre (ISC)

The Innovation & Support Center (ISC) has been long tackling the provision of higher technical support services to the various governmental bodies since it was first established back in 2007. The Authority provided the ISC with its needs for technical and human resources, as well as strategic partnerships so as to enhance the ISC's capabilities for fulfilling the governmental bodies' requirements for specialized technical support and further boost the IT market prospects at the Sultanate and encourage competitiveness therein. In 2012, the ISC has, therefore, managed to achieve the following:

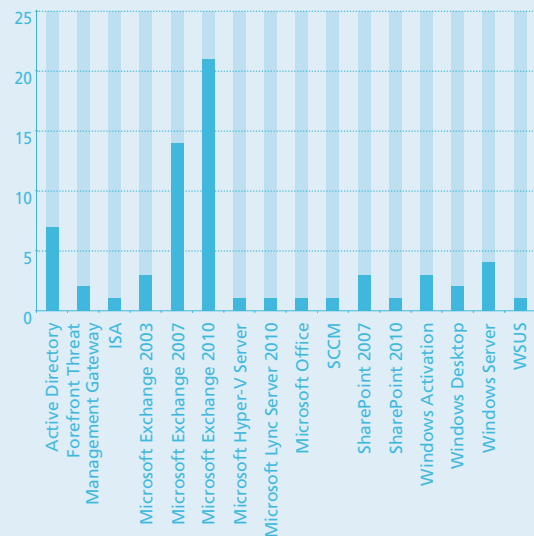
#### 1) Annual Maintenance Agreement:

In the framework of enhancing and organizing the mechanism of providing technical support to the governmental authorities, the ISC outlined a mechanism via which the type and technical support volume required are to be specified. It also identifies how support requests are to be made and the means of providing said support, to make it easy for governmental bodies and the ISC to pursue the support program so agreed for one calendar year.

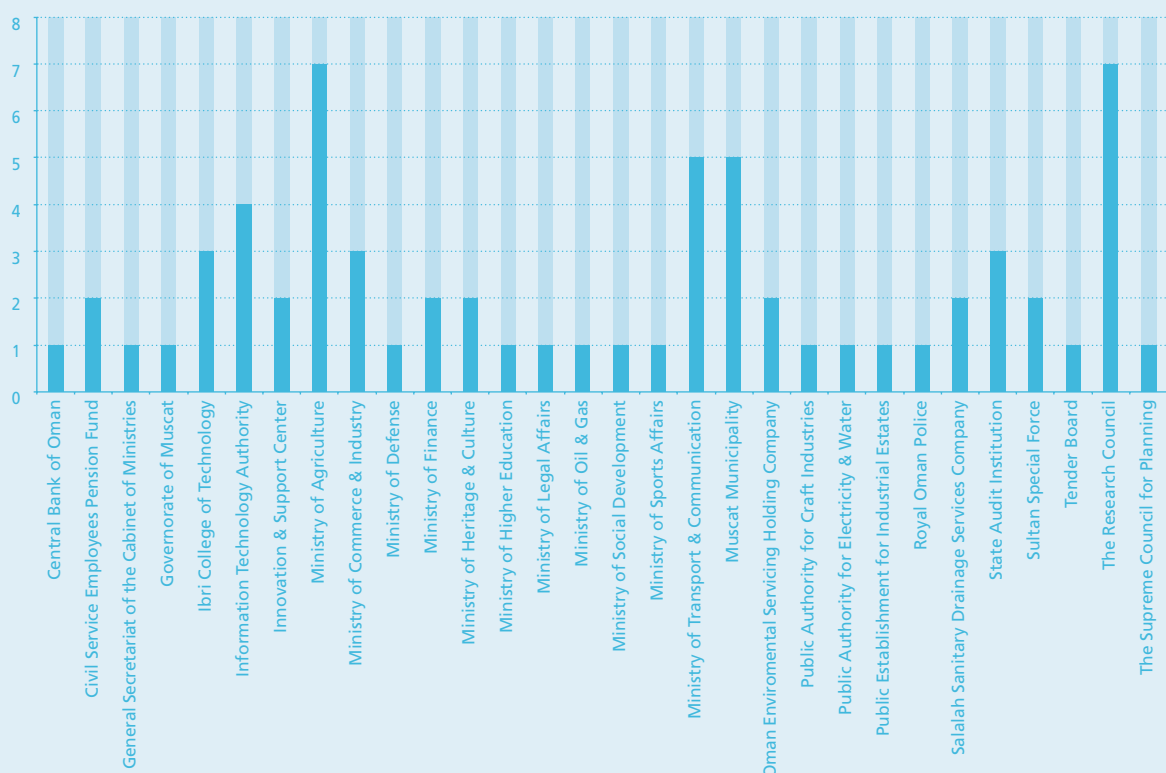
Such Agreements includes periodical inspection of the governmental bodies' systems and provides the required technical support and training, as well as exchanging the know-how and providing technical consultations.

This type of agreement was signed with 7 governmental bodies in 2012. In addition, the ISC continues to provide limited technical support services to governmental bodies that have no effective support agreements signed with ISC.

**Chart 5.1**  
By Technology



**Chart 5.2**  
By Government Entity





## 2) Training & Qualification:

In 2012, the ISC was licensed to administer training courses on Microsoft® Products, as well as Open-Source Applications. Additionally, it held specialized courses at well-equipped computer labs for 200 trainees over the course of 19 various training sessions.

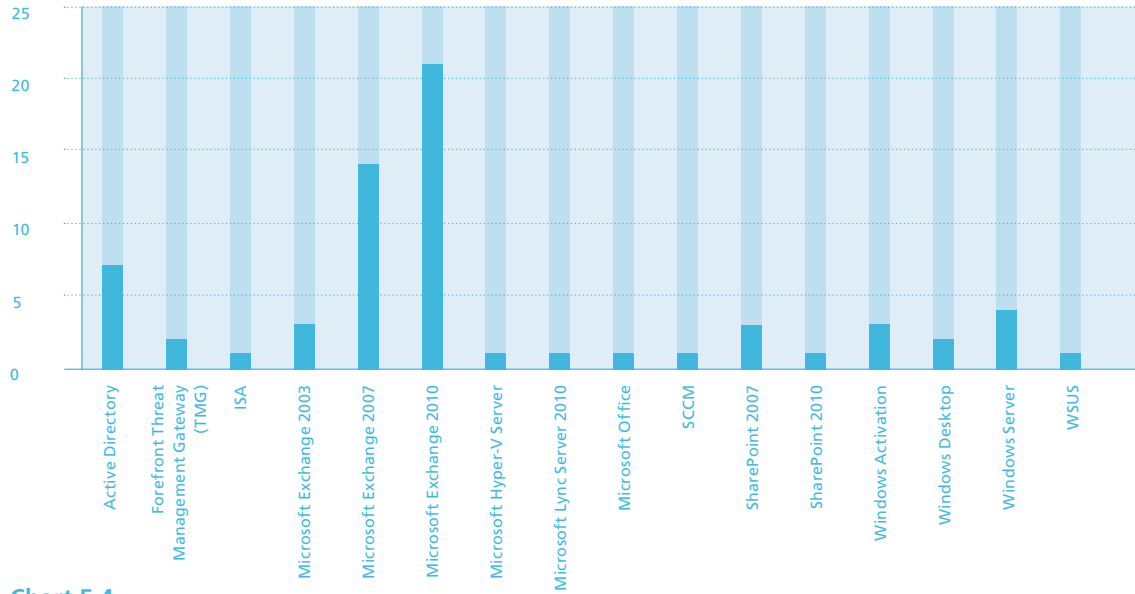
**Table 5.1**

Track	Title	Duration	Level
e-Windows 7 Pro	Implementing & Administering Windows 7 in the Enterprise	4 days	100
e-Windows 7 Pro	Operating System Deployment Boot-Camp	5 days	100-200
e-Server Pro	Virtualization Technologies Hyper V	2 days	100
e-Daleel	Active Directory 2012	4 days	100
e-Daleel	Windows Server 2012 Active Directory Configuration	5 days	200
e-Windows 7 Pro	Introduction to Windows 7 (Installing & Configuring)	3 days	100
e-Daleel	Introduction to Windows Server 2008 R2 Active Directory	3 days	100
e-Daleel	Windows Server 2008 R2 Active Directory Configuration	3 days	200
e-Server Pro	Windows Server Update Services	2 days	100
e-Server Pro	Implementing and Managing Microsoft Server Virtualization	3 days	100
e-System Center Pro	Installing and Configuring System Center Configuration Manager 2007 R2	3 days	100
e-Zajel	Introduction to Exchange Server 2010	3 days	100
e-Zajel	Introduction to Lync Server 2010	3 days	100
e-Aman	Implementing Forefront Threat Management Gateway 2010	3 days	100
e-Zajel	Microsoft Lync Server 2010	3 days	100
e-Daleel	Active Directory 2008 Infrastructure	3 days	100
e-Windows 7 Pro	Windows 7 Course	3 days	100
e-Daleel	Active Directory	3 days	100
e-Aman	TMG	3 days	100

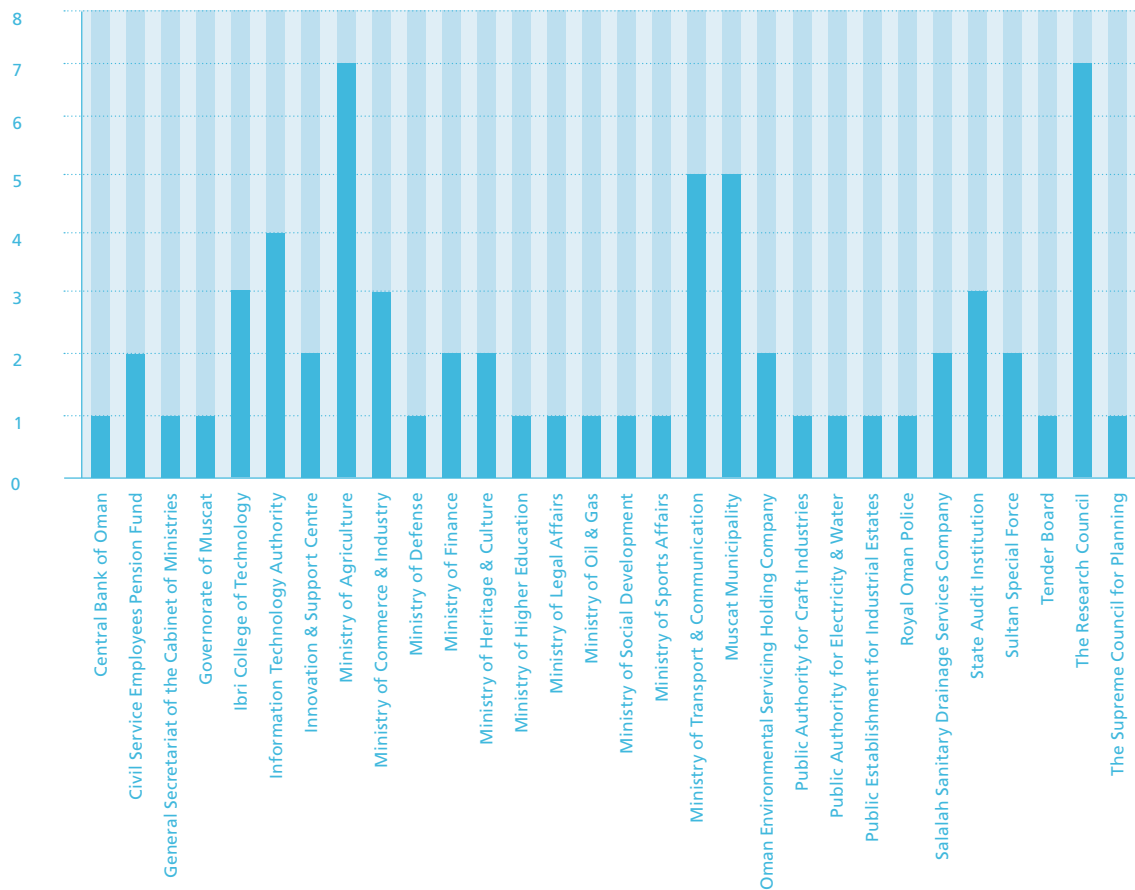
### 3) Technical Support:

The ISC provides direct technical support to governmental bodies, replies to any technical inquiries, and solves emergency problems through its operations team specialized in infrastructure systems support, network management, and security protection. The team also refers some cases that ISC engineers fail to solve to Microsoft, as part of the integrated support process for governmental bodies. Support services have been provided as follows:

**Chart 5.3**  
By Technology



**Chart 5.4**  
By Client



#### 4) Email & Web Hosting Services

The ISC developed the infrastructure required for providing Email & Web Hosting Services to governmental bodies, who offer no such facilities internally. Such services also boost security and reliability when using the email facility in governmental communications.

The ISC hosts (3) governmental bodies and this number is expected to increase once the ISC servers upgrade is complete.

#### 5) Strategic Partnership:

The ISC strived at all times to maintain the partnership with Microsoft® as a Golden Partner in two fields and as a Silver Partner in three others. ISC engineers have also obtained higher technical certificates from Microsoft and are ranking at the prime positions in the Sultanate in terms of securing such certificates, which contributed to enhancing the ISC's reputation as a leading partner into the region.

### 5.2 National Initiative for the Support of Free & Open Source Software (FOSS)

The Free & Open Source Software (FOSS) initiative is part of the e.oman strategy which aims to support all applications, technologies, and solutions that are used to develop the IT sector in Oman.

#### The initiative seeks to:

- Raise awareness of the existence of free and open source software (FOSS) and its various applications.
- Present the free & open source software (FOSS) applications as an alternative to the proprietary software.
- Build the capacity required to use, develop and support FOSS through specialized training.
- Encourage research and development, creativity, and innovation in FOSS best practices, development and deployment;
- Provide the technical support required for the development and deployment of FOSS solutions on the public sector.
- Promote and encourage the use of FOSS in the public entities as well as for individuals.
- Contribute to raising awareness about intellectual property rights by encouraging the public to use FOSS, to reduce/eliminate the use of pirated software.

### 5.3 Center of Excellence for eContent & Application Development

The Center of Excellence for eContent Application Development aims to establish an e-content industry in the Sultanate, as well as enrich the domestic e-content via providing a suitable environment and infrastructure necessary for meeting the various needs for e-content development.

#### Objectives

- Develop an e-content industry within the Sultanate and further boost Omani exports to Arab states in this field.
- Enrich domestic and Arab internet content, especially services-related ones, so as to ensure locals and residents benefit from the internet as a value-added service available for all, with the final goal of achieving "Knowledge Society" criteria.
- Train and qualify specialists and enthusiasts into the field of e-content management and design according to international standards.
- Focus on achieving integrity in applications for creating innovative solutions and services.
- Design and develop specialized contents for various uses at the domestic level.
- Provide the know-how and consultations relevant to identifying, designing, developing, and producing all types of Arab digital content such as animations, 3D contents, imitations, and cyber (virtual) labs.
- Locating infrastructure that could be used by the various governmental bodies in the field of developing and designing their own content.
- Implement national projects offering a group of services targeting locals and residents of the Sultanate.

Establish a common and strategic framework for e-content development in the Sultanate to further support the Oman Digital Strategy.

#### Centre Specializations

- Develop & manage applications and mobile applications;
- Develop virtual reality & multimedia projects.

#### Achievements in 2012

- An agreement in June 2012 for establishing the virtual reality part and supplying the devices specialized into this field.
- Virtual reality program plans and strategies for the Sultanate of Oman have been laid down.
- The nomination campaign for training and joining specialized training programs in the field of virtual reality has begun.

## 5.4 DSDD Business Development

Business Development is a functional unit within ITA to support and enhance the performance of Digital Society Development Initiatives. Some key objectives of the unit include: identification, assessment and implementation of new opportunities; build partnerships and business relationships with other organizations and vendors; and initiate “handshakes” between the current initiatives to add value to the DSDD portfolio.

Some details and achievements in this area are shown below:

### • Sakhr “Ibsar” Training Pilot

Further to the efforts of ITA to enhance the usage of ICT within the visually impaired, DSDD initiated the pilot training on “Ibsar” software in July 2012. This pilot was initiated to assess the program for the ITA’s first state-of-the-art accessibility lab in collaboration with KOM (to be Located in KOM 4 – 4th Floor).

The training was on an Arabic screen reader application designed for the visually impaired to help utilize computers and Technology to increase their skills & efficiency and enhance their working environment.

Ibsar is the first integrated program speaking in Arabic and English that enables visually impaired individuals to professionally use a computer.

It consists of three main programs namely Screen Reader, Document Reader and Tutorial System, all of which are provided with a number of bilingual (Arabic/English) main tools.

This program covered the usage of MS Office, Internet & emails. Also provided as part of the program are 13 evaluation licenses, active for three months.

Further assessments will be conducted based on the outcomes of this pilot for the future roadmap including the special needs as part of future DSDD initiatives.

### • State of the Art ICT Lab in collaboration with KOM and Toshiba

ITA has partnered with Knowledge Oasis Muscat (KOM) and Toshiba to establish an information and communications technology (ICT) training laboratory within the premises of KOM, with a dedicated lab for the disabled. Toshiba is supporting the establishment of the lab by providing notebooks.

The lab is setup in an area of 458 m2 and is divided into 4 sections. With a total lab capacity of 110 seats, each section holds 30 to 40 seats with movable partitions.

In one of the sections, 10 seats have been dedicated for disabled learners and aims to address all types of disabled. Equipped with assistive tools, this section is the first such specialized lab for the disabled segment.

## 5.5 Incubation Program

The Incubation Program aims to setup national technology business Incubation for Oman in coordination and collaboration with various stakeholders through the PPP model.

### Program Objectives

- Implement and manage an incubation program in Oman, in an effort to generate commercially viable and technology-based Small and Medium Enterprises.
- Develop an internationally competitive ICT industry in Oman.
- Attract more foreign and local investment in the ICT sector to act as a catalyst for job creation.
- Encourage and support innovation by contributing to the introduction of new technologies to create innovative products, solutions and services.
- Encourage young graduates to create their own businesses through the development and implementation of entrepreneurship culture-building activities.

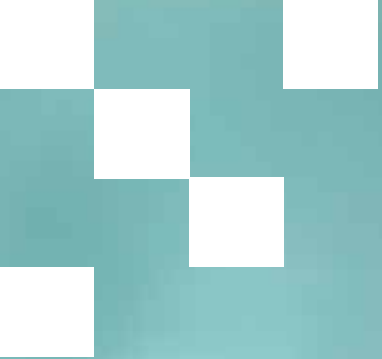
### Achievement in 2012

- Signed 3 MOUs with various stakeholders in order to collaborate in different related areas
- ITA sent Omani entrepreneurs to participate in national/international entrepreneur related events:
  - Cairo Entrepreneurship event by Microsoft (1 entrepreneur + 1 team member)
  - Startup weekend at Dubai (3 entrepreneurs + 2 team members)
- Signed an MOU with Injaz Oman to train 1,000 students in 9 Governorates on entrepreneurial skills and headhunt potential incubates
- Conducted business coaching and mentoring for startups.
- Conducted training workshops for Omani entrepreneurs.
- Hosted 7 startup businesses and provide a series of services to them in various aspects (i.e. physical space, marketing, project management, legal, etc.)



# 06 Development of Standards, Policies, Procedures & Laws

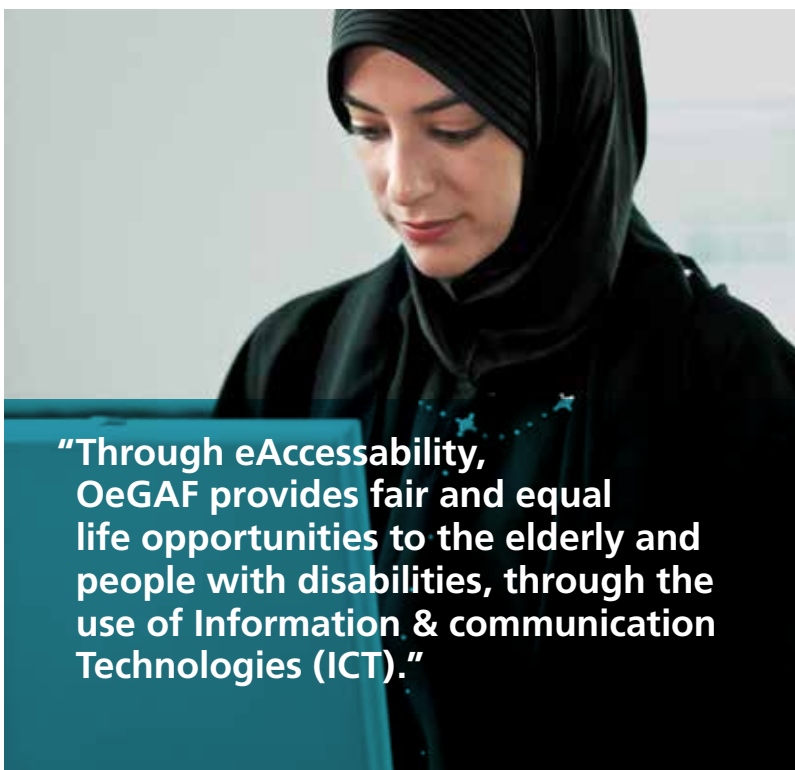




## □E Development of Standards, Policies, Procedures & Laws

### Oman eGovernment Architecture Framework (OeGAF)

OeGAF is essentially a whole-of-government enterprise architecture that aims to facilitate interoperability and integration of IT systems from different agencies by defining technical standards, commonly used data and IT application systems. OeGAF will allow citizens, residents and commercial establishments to experience the convenience of seamless integrated government services that involve different government agencies.



**“Through eAccessibility, OeGAF provides fair and equal life opportunities to the elderly and people with disabilities, through the use of Information & communication Technologies (ICT).”**

#### ITA Fact

Lectures given in 2012 for governmental units' staff and Omani police on Cyber Crime

# 10

**Mohammed Al Duhli**  
Director General of Governance & Advisory

### 6.1 OeGAF consists of 4 main architectures as follows:

- a) Business Architecture
- b) Solution Architecture
- c) Information Architecture
- d) Technical Architecture

#### The following activities were carried for OeGAF in 2012:

- 73 professionals attended the OeGAF training for government staff and ICT vendors in June 2012. OeGAF briefings were also conducted for government agencies.
- The OeGAF compliance assessment was carried out for ITA.
- The OeGAF eKIT (eGovernment Knowledge & Information analysis Tool) was populated with data from 16 government agencies where 3 are new and 7 completed. In addition, the eKIT was made accessible via Internet.

### 6.2 eLegislation

Driven by its care for international cooperation, the Authority, on the other hand, participated into the Experts Committee Meeting on Cyber Legislations Coordination within the Arab region, held at the ESCWA headquarters in Beirut, during the period 16-17 February 2012. It also took part in the workshop held by ESCWA in cooperation with the Arab League in Cairo during the period 14-15 March 2012. Besides, the Authority participated into the workshop on cybercrimes held at the United Nations Office on Drugs and Crime in Beirut during the period 26-27 April 2012.

At the Scientific Forums levels, the Authority held a regional seminar on legislative challenges of cybercrimes during the month of June 2012.

Meanwhile, on the level of social awareness of e-legislations, some (10) lectures on cybercrimes for governmental units' staff as well as Omani police officers, public prosecutors and high school students.

The Authority also gave (5) awareness lectures on e-transactions for the governmental units' staff, some of the Omani Army officers.

However, on the legal consultation level on e-transactions, the Authority provided several legal advises and opinions.

### 6.3 eAccessibility

To provide fair and equal life opportunities to people with disabilities and the elderly people through the use of Information & Communication Technologies (ICT), the Information Technology Authority (ITA) has adopted an eAccessibility policy for people with disabilities and elderly people.

In cooperation with The Global Initiative for Inclusive ICTs (g3ict), a specialized organization with a focus in issues related to people with disabilities, the ITA signed the policy in September 2012, in partnership with public and private institutions in the Sultanate.

#### The policy emphasizes that government agencies should ensure that:

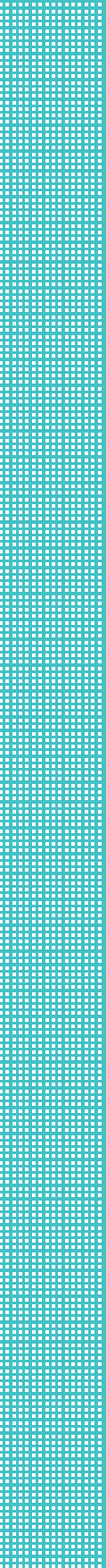
1. Public information and eServices are accessible by persons with disabilities and the elderly;
2. ICT-based public equipment is fully accessible to persons with disabilities and the elderly;
3. Internal information and applications shall be made accessible to employees who are disabled and elderly;
4. ICT is available to persons with disabilities and elderly individuals, within their respective lines of businesses; and,
5. Private sector institutions are to have certain eAccessibility policies in place and regularly monitor them.

Government agencies are to provide specialized training programs to people with disabilities in using ICT to improve their performance and work quality. The ITA will monitor the implementation of the policy and provide an ongoing report to the concerned institutions to follow up with the implementation of the policy.





# Information & Awareness





## Information & Awareness



The significance of this section stems from the segments targeted by the outreach and awareness campaigns, which include both citizens and residents, as well as public and private employees. The focus of this section is on enhancing the sense of ownership in regard to the e.oman Strategy and its initiatives, along with encouraging the transformation towards using electronic transactions for availing services in place of traditional paper-based transactions, which, in-turn, would help in the implementation of the Strategy and raise the global ranking of the Sultanate in this regard.

- Organizing promotional and awareness campaigns in an effort to raise awareness about the e.oman Strategy.
- Continuing to organize and participate in IT events.
- Organizing the Award Ceremony of the Sultan Qaboos Award for Excellence in eGovernment on an annual basis.
- Continuing to promote the indicators and accomplishments globally.



**“The ITA strives to spread the awareness of eGovernment Services and further encourages Omani citizens and residents to obtain information and services via eGovernment portals.”**

### ITA Fact

ITA executed the first flashmob ever in Oman, by mixing Omani heritage with new modern music and performance.

**Khalid Al Kharusi**  
Director General of Information  
& Awareness

## 7.1 Marketing & Awareness Campaigns

- Sultan Qaboos Award for Excellence in eGovernment marketing campaign
- Muscat Festival awareness campaign
- Green Initiative awareness
- Information Security Division marketing campaign
- COMEX 2012 awareness campaign
- NPC phase 2 awareness campaign
- Incubation project logo and brand development
- Ramadan campaign for donations portal campaign
- TV ads: 45 second flashmob Eid greeting TV Commercial
- e.oman corporate Ad in USA Today newspaper
- Salalah Festival awareness marketing campaign
- eTransformation content development and workshop

### Events Concept & Marketing Materials:

- GITEX participation and content development
- World Telecommunication and Information Society Day 2012
- Away Day "ITA Talent Show"
- ITA anniversary day celebration, theme and branding
- Omani Woman's Day
- OIC-CERT Annual Conference, in collaboration with OCERT

### Marketing Collaterals & Films:

- ITA Annual Report 2011
- Eid cards
- Leather diaries 2013

### Films in honor of the following:

- Women in ICT
- United Nations Public Service Awards (UNPSA)
- Sultan Qaboos Award for Excellence in eGovernment

### Branding:

- FOSS Sultan Qaboos University Lab branding
- Branding ITA offices
- Branding of ITA's Library

## Flashmob

- ITA executed the first flashmob ever in Oman, by mixing Omani heritage with new modern music and performance. A huge success, the flashmob was performed during COMEX 2012.

### Competition:

- Developed the "YouCreate" competition for ITA's 6th anniversary.

## 7.2 Media Awareness Campaigns

Media awareness campaigns launched by the Authority target both Omani citizens and residents, in the governmental and private sectors, as well as visitors to the sultanate. By so doing, it strives to spread the awareness of eGovernment Services and further encourages them to obtain the information and services via the eGovernment portals. It also aims to improve their awareness and confidence in electronic transactions, as well as urging them benefit from digital technology in all walks of life.

### The prime objectives of media awareness campaigns for 2012 include:

- Launch Media Awareness Campaigns aiming to enhance the societal awareness of Oman's Digital Society and eGovernment;
- Continue participating into and arranging for IT activities;
- Implement a group of media plans aiming to introducing the mission and vision of the Information Technology Authority.

### In support of its continuous activities, the Information Technology Authority has carried out the following activities in 2012:

- Preparing the Annual Report 2011
- Regular updating and developing of the ITA website

The Information Technology Authority arranged for a number of activities, projects and services locally and abroad, via which it strived for launching a number of media awareness campaigns with the aim for enhancing awareness of Oman Digital Initiative as well as the projects implemented by the Authority alongside with the various e-services offered to the governmental bodies in the Sultanate in pursuit of the state-of-the-art digital developments into the Sultanate.

To achieve this goal, it sought covering all such activities, projects, and media awareness campaigns through all various mass media means. Thus, integrity of the activities and projects arrangement process shall be fulfilled allowing for marketing them.

It also allows for organizing and launching promotional campaigns covered into the media so as to achieve the long-sought societal awareness of the aims and projects of the Oman Digital Initiative. Such activities are as follows:

- **Seminars, Workshops & Training Programs:**
  - Training sessions for government employees on information technology, Community Knowledge Centers (CKC), National PC initiative, Graphics Designing, and Oman's National CERT;
  - Awareness campaigns on information security in Dhofar Governorate;
  - Seminar on Public & Private Sectors partnership with Community Knowledge Centers
  - Training programs for developing the skills of Omani designers;
  - Seminar on the eGovernment Transformation Plan
  - Holding workshops on the Sultan Qaboos Award for Excellence in eGovernment
  - Awareness workshops on Information Security for the physically challenged
  - Workshops on Information Security Policies of Governmental Organizations
- **Local Exhibitions:**
  - Comex Exhibition 2012 at Oman International Exhibitions Center
  - Participation in Jobs Fair 2012 at Sultan Qaboos University
  - Participation in Salalah Tourism Festival at Dhofar Governorate
  - Participation in Muscat Festival 2012 at Al Qurm Natural Park
  - Participation in Human Resources Exhibition 2012 at Oman International Exhibitions Center
- **International Exhibitions:**
  - Participation in the World Summit on the Information Society Forum in Geneva
  - Participation in Infoconnect Fair in the State of Kuwait
  - Participation in Gitex Dubai
- **Conferences:**
  - COMEX 3rd Conference 2012 at Golden Tulip Hotel
  - Cyber Space Conference at Grand Hyatt – Muscat Hotel
  - Marketing of the Intel Free and Open Source Applications Competition
  - Seminar on commencing and launching the eTransformation Plan
- **Celebrations:**
  - Celebrating the announcement of winners of Imagination Cup Local Competition 2012
  - Celebrating winning the Sultan Qaboos Award for Excellence in eGovernment 2012
  - Celebrating the World Telecommunication and Information Society Day 2012
  - Celebrating the Green Environment Day
  - Celebrating the World Health Day
  - Celebrating the Omani Women's Day 2012
- **Sponsorship & Support:**
  - Sponsoring and supporting Imagination Competition Cup 2012 in cooperation with Microsoft®
  - Sponsoring a seminar on Information Security and proper use of the state-of-the-art tools at Dhofar Governorate
  - Sponsoring Salalah Tourism Festival 2012 activities
  - Sponsoring Innovation Competition
  - Sponsoring the Injaz Competition for supporting SMEs
  - Sponsoring the organization of information technology forum in cooperation with Protiviti Company
- **Providing Media Coverage for all Authority activities through the various mass media:**
  - Continue disseminating newsletters relevant to:
    - e.oman Initiative
    - Innovation & Support Center
    - Omanuna Portal

### 7.3 Events and Awareness Campaigns & Achievements

#### Seminars, Workshops & Training Programs Organized in 2012:

- Implemented awareness campaign on information security in Salalah Governorate;
- Organized Public Private Sector Partnership (PPP) Symposium for Community Knowledge Centers;
- Organized training courses for Omani designers development;
- Organized eTransformation Seminar;
- Organized number of workshops on Sultan Qaboos Award for Excellence in eGovernment;
- Organized awareness workshop on Information Security for the physically challenged;
- Implemented Information Security Policies Workshop for government organizations;
- Managed the Executive Training On Foundations of Government Information Leadership event;
- Hosted the Gartner Academy for Leadership Development for Aspiring CIOs; and
- Organized Leading and Executing Change management training;

#### Participation in Local Exhibitions:

- Organized 2012 COMEX Show in Oman International Exhibition Centre where around 82,000 visitors attended;
- Participated in 2012 Career Fair in Sultan Qaboos University;
- Participated in 2012 Salalah Tourism Festival in Dhofar Governorate;
- Participated in 2012 Muscat Festival in Qurum Natural Park
- Participated in Human Resources Development Expo 2012 in Oman International Exhibition Centre

#### Participation in International Exhibitions:

- Participated in the World Summit on the Information Society Forum in Geneva;
- Participated in InfoConnect Exhibition in State of Kuwait;
- Participated in GITEX Exhibition in Dubai;

#### Conferences Organized:

- Organized 3rd COMEX 2012 Conference in Golden Tulip Hotel;
- Organized Cyber Defence Summit in Grand Hyatt Muscat Hotel

#### Official Celebrations Organized:

- Celebrating the announcement of winners of Imagination Cup Local Competition 2012
- Celebrating winning the Sultan Qaboos Award for Excellence in eGovernment 2012
- Celebrating the World Telecommunication and Information Society Day 2012
- Celebrating the 7th Authority Day
- Celebrating the Green Environment Day
- Celebrating the World Health Day
- Celebrating the Omani Woman Day 2012

#### International Delegations & Visits:

- Visit paid by Singaporean Minister
- Visit paid by Estonian Minister

#### Local Delegations & Visits:

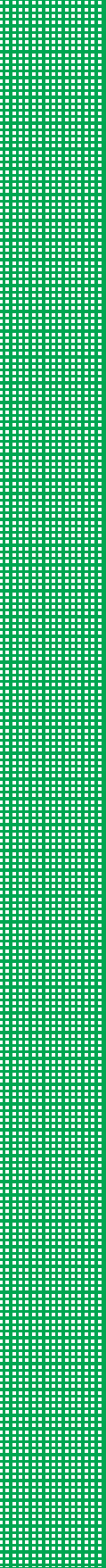
- Visits paid by number of schools and colleges to the Authority
- Organized number of awareness campaigns to several military organizations;
- Visit paid by Estonian Minister
- Visits paid by individuals from governmental organizations to the Authority

#### Sponsorship & Support:

- Sponsoring and supporting Imagination Competition Cup 2012 in cooperation with Microsoft®
- Sponsoring a seminar on Information Security and proper use of the state-of-the-art tools in Dhofar Governorate
- Sponsoring the Smart Information Centers Conference in the Sultanate of Oman
- Sponsoring and supporting Salalah Tourism Festival 2012 activities
- Sponsoring and supporting Innovation Competition
- Sponsoring the Injaz Competition for supporting small and medium entrepreneurs
- Sponsoring the organization of information technology forum in cooperation with Protiviti Company



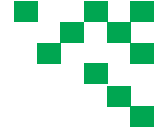
# Global Ranking







## Global Ranking



This section reflects the progress level of the pillars of the e.oman Strategy through highlighting most important achievements and awards granted to national projects and initiatives at the regional and international levels, in addition to showcasing the Sultanate's position in the field of IT advancement through rankings as set by certain neutral bodies.

The international ranking of any organization is linked with measuring the level of progress made by such organizations, based on statistics and indicators showing the objectives that have been achieved. Despite its short life, the Information Technology Authority (ITA) has achieved much progress in implementing the e.oman Strategy. The ITA has been seeking to build well-established relationships with regional and international ICT specialized organizations, through continuous presence in the regional and international arenas, as well as by collaborating and consulting in various relevant fields and projects, which allows the Sultanate to make use of international experiences and further build national capacity.

The Information Technology Authority represents the Sultanate in the international arena in specialized technical meetings related to the eGovernment sector and the measurement of statistics and uses of information and communication technology.

This includes representing the Sultanate as member of the eGovernment Executive Committee in the Cooperation Council for the Arab States of the Gulf, which holds regular meetings for officials in charge of eGovernment initiatives in GCC States. Such meetings enable the exchange of experiences in this field and permit discussion of the methods for expansion of application thereof, since GCC States are currently in the process of creating an eGovernment Common Strategy.

The ITA cooperates with Telecommunications Regulatory Authority in providing the International Telecommunications Union with statistics on the growth of IT sector in the Sultanate, in addition to updating the website of general administration relative to the United Nations and World Summit on the Information Society Forum with recent information about projects in progress in the Sultanate.



### ITA Fact

The Sultanate rose to the 40th rank worldwide in the World Economic Forum Report 2012 in the Networked Readiness Index.

## 40th

### 8.1 To highlight ITA achievements in 2012, the following presents an overview of statistics and surveys conducted in the same year, which contributed to the evaluation issued by regional and international organizations in ICT industry.

#### • ICT Indicators Surveys:

During 2012, the Information Technology Authority conducted a number of studies, surveys and questionnaires relating to Information & Communication Technology in the Sultanate, notably:

1. ICT Access and Usage in Colleges & Universities Indicators Survey for 2012, which targeted all educational institutions in the Sultanate granting post-secondary diploma and above;
2. ICT Access and Usage in Government Sector Indicators Survey for 2012, which targeted all governmental sector organizations;
3. ICT Access and Usage in Business Sector Indicators Survey for 2012, which targeted random sample from business sector entities;
4. Conducting a questionnaire on the governmental sector employees' job satisfaction with eGovernment services in 2012;
5. Conducting the 2012 COMEX Exhibition visitors' opinion questionnaire and issuing the results thereof; and,
6. Conducting the 2012 Salalah Tourism Festival and issuing the results thereof.

In addition, the Authority has been continuously coordinating with UNESCO, Ministry of Education, Ministry of Higher Education and National Center for Statistics & Information, in order to enhance and validate data on the total rates of registration and literacy in the Sultanate.

### 8.2 The Authority organized the Sultanate's participation in the World Summit on the Information Society Forum (WSIS) in May 2012, through an official delegation headed by the Authority and including representatives from Ministry of Education, Ministry of Health, Ministry of Commerce & Industry, Telecommunications Regulatory Authority and Muscat Municipality.

The WSIS Forum is organized annually upon invitation from International Telecommunications Union (ITU), under sponsorship of UN Development Program and UNCTAD, with a view to building the world information society through utilizing knowledge and ICT in serving development and enhancing the usage of information and knowledge to

achieve internationally agreed development goals. Such goals include those stated in the UN Millennium Declaration, tackling new challenges facing the information society nationally, regionally and internationally and, analysing and evaluating the progress made towards bridging the digital divide.

#### WSIS 2012 Participation included:

- Participation in high level dialogues that included ministers and chairpersons of eGovernment institutions and authorities worldwide and discussed issues related to the information society such as sustainable development, information security, capacity and skills building in IT field and eServices development;
- Delivering a speech in the conference about the Sultanate's achievements in sustainable development domain, such as National Initiative for Capacity & Skill Building, and the Sultanate interest in information security (Information Technology Authority);
- Conducting a key presentation on technological development in the Sultanate, highlighting a number of leading electronic projects in the Sultanate (i.e. Educational Portal, National PC Initiative, its objectives and targeted categories and eVoting system);
- Conducting a presentation on the One-Stop-Shop system intended to facilitate the procedures for investment in all economic sectors (Ministry of Commerce & Industry);
- Introducing services provided by Muscat Municipality via iMuscat mobile application (Muscat Municipality);
- Introducing the eMaternal & Child Health Care Program System (Ministry of Health);
- Conducting a presentation on the efforts exerted in girls and women capacity building in IT field and the Sultanate's celebration of 'Girls in ICT Day', in collaboration with the Ministry of Education; and,
- Participation in the Exhibition accompanying the Forum, through a stand in which the Sultanate's achievements were displayed in connection with women's support in the IT field and other initiatives in this area.

### 8.3 The Sultanate also shared the spotlight alongside world countries in celebrating 'International Girls in ICT Day' for the first time in the Sultanate. The celebration was organized by Ministry of Education in collaboration with the Authority during the COMEX ICT Exhibition, in the course of an international initiative to provide an appropriate environment empowering girls and women, guiding them to pay attention to the ICT industry, which witnessed increasing

### **growth and seeks to support young women and girls to be ready for a career path and engagement in the ICT field.**

Efforts were made also to contribute to developing an action plan intended to improve the Sultanate's ranking in the 2011 World Economic Forum Report. Further, an action plan was developed to improve the Sultanate's rank in the UN eGovernment Survey 2012 and benefit from international practices in this field.

## **8.4 Significant Achievements & International Ranking in 2012**

### **1. United Nations Public Service Award (UNPSA)**

The Sultanate, represented by the Ministry of Health, won second place for the category of promoting gender responsive delivery of public services through the Maternal & Child Health Care Program.

The Sultanate participated in the United Nations Public Service Awards Ceremony 2012, which was held in the state of New York, USA and attended by a number of high-level officials from various world countries. The ceremony was in recognition of the projects that contributed to facilitating the provision of services to the beneficiaries from different world countries. The United Nations Public Service Award is one of the top international awards in the eServices field granted to outstanding service institutions.

### **2. World Summit on Information Society (WSIS) Projects Award**

The One-Stop-Shop system of the Ministry of Commerce & Industry received the World Summit on Information Society (WSIS) Projects Award for the category of e-business. This award winning project was among 170 projects submitted by more than 50 countries in 18 different categories. This award winning was announced during the Sultanate's participation in World Summit on Information Society Forum, which was held in May 2012 in Geneva, Switzerland.

### **3. United Nations eGovernment Survey, 2012**

The United Nations eGovernment Survey, which is issued every two years, is one of the most important indicators measuring the progress made by the world countries in online services, the extent and quality of eParticipation, evaluation of available communications services and the infrastructure supporting digital advancement and national capacity-building. The 2012 report is entitled "E-Government for the Public."

The Sultanate was ranked 64th worldwide among 193 world countries covered by the report, advancing 18 positions as compared to 2010 where it was ranked 82nd worldwide. The Sultanate also gained 6th rank at the Arab world level in the same report.

The report also indicated that the Sultanate achieved an improvement in providing eGovernment services. The Sultanate presented at the 35th rank, advancing 20 positions as compared to 2010 and jumped to 16th rank worldwide in the eParticipation standard after being ranked 76 in the 2010 report.

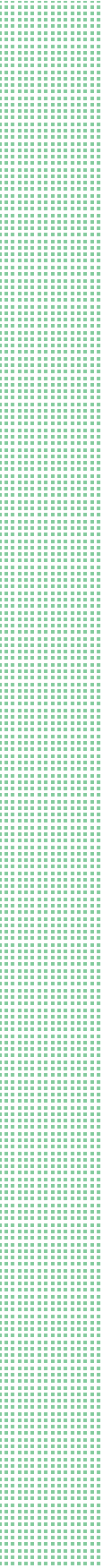
The report explained that with regard to talking about the provision of eServices to suit people with different sight abilities and people with special needs, the Sultanate of Oman is one of the countries paying attention to this aspect given the compatible websites it offers to these categories.

### **4. World Economic Forum Report, 2012**

World Economic Forum issued its annual report for 2012 on competitiveness in IT sector. The Sultanate rose to the 40th rank worldwide in this report in Networked Readiness Index. The report revealed improvement in certain ICT segments in the Sultanate. The Sultanate was ranked 34th worldwide in infrastructure and regulatory indexes and 45th worldwide in use of up-to-date technology in business administration.

On the other hand, the Sultanate was ranked 8th worldwide in mobile phones increase rate and 29th worldwide in eGovernment Services Development index. However, the report indicated the Sultanate's need to improve some development indexes in ICT sector including: Internet and mobile service price indexes, mobile broadband service indexes, and individuals' ICT usage indexes and their impact on rate of access to the basic services.

The World Economic Forum Report on Information Technology is an internationally recognized report issued on an annual basis. The report compares the developments in ICT sector in various world countries against the previous year. The report also includes several indexes, which include the illiteracy rate among young people and secondary school enrollment, educational system quality, land telephone line spread rates and mobile broadband service spread rates, access to the Internet services, use of social networking media, and use of the Internet for business purposes.





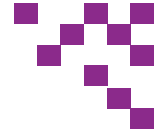
# Financials 2012





# 09 Financials

## 2012



## Independent Auditor's Report to the Members of Information Technology Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of Information Technology Authority (the "Authority"), which comprise of the statement of financial position as of 31 December 2012 and the statements of receipts and expenses, changes in surplus fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 21.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the

Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Information Technology Authority as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Deloitte & Touche (M.E.) & Co. LLC**  
Muscat, Sultanate of Oman

Data audited, but not approved by BOD.

# Statement of Financial Position

31 December 2012

## Assets

Non-current Assets	Notes	2012 RO	2011 RO
Property & Equipment	5	4,030,017	9,324,485
Intangible Assets	6	12,378,266	7,967,532
Capital Work-in-progress	7	68,427	68,427
<b>Total Non-current Assets</b>	-	<b>16,476,710</b>	<b>17,360,444</b>
<b>Current Assets</b>			
Inventory	-	66,911	87,935
Trade & Other Receivables	8	7,509,494	3,310,558
Cash & Cash Equivalents	9	3,699,277	11,566,825
<b>Total Current Assets</b>	-	<b>11,275,682</b>	<b>14,965,318</b>
<b>Total Assets</b>	-	<b>27,752,392</b>	<b>32,325,762</b>
<b>Surplus Fund &amp; Liabilities</b>			
Retained Surplus	10	12,404,190	15,339,874
<b>Non-current Liabilities</b>			
Long-term Payable to Microsoft	13	2,561,498	-
End of Service Benefits	11	524,099	76,574
<b>Total Non-current Liabilities</b>	-	<b>3,085,597</b>	<b>76,574</b>
<b>Current Liabilities</b>			
Trade & Other Payables	12	8,147,499	9,146,968
Short-term Payable to Microsoft	13	2,561,499	-
Unearned Revenue	14	1,553,607	7,762,346
<b>Total Current Liabilities</b>	-	<b>12,262,605</b>	<b>16,909,314</b>
<b>Total Liabilities</b>	-	<b>15,348,202</b>	<b>16,985,888</b>
<b>Total Surplus Fund &amp; Liabilities</b>	-	<b>27,752,392</b>	<b>32,325,762</b>

The accompanying notes form an integral part of these financial statements.



# Statement of Receipts & Expenses

For the year ended 31 December 2012

Receipts	Notes	2012 RO	2011 RO
Revenue from Government Contribution	15	22,551,579	25,575,792
Unearned Revenue Transferred to Income	14	7,756,371	2,343,603
Reinvestment Income	-	95,407	302,145
Other Income	16	332,373	201,739
<b>Total Receipts</b>		<b>30,735,730</b>	<b>28,423,279</b>
<b>Expenses</b>			
Depreciation of Property & Equipment	5	(5,724,944)	(6,125,253)
Amortization of Intangible Assets	6	(3,388,214)	(3,002,058)
General & Administrative Expenses	17	(5,346,559)	(3,680,755)
Salaries & Employee Related Costs	18	(7,556,321)	(5,966,302)
National PC Initiative Program Expense	19	(5,157,105)	(8,877,499)
Distribution Costs	20	(1,424,342)	(1,351,993)
Other Operating Expenses	21	(5,073,929)	(5,158,806)
<b>Total Expenses</b>		<b>(33,671,414)</b>	<b>(34,162,666)</b>
<b>Deficit for the Year</b>		<b>(2,935,684)</b>	<b>(5,739,387)</b>

The accompanying notes form an integral part of these financial statements.

# Statement of Changes in Surplus Fund

For the year ended 31 December 2012

<b>2011</b>	<b>Retained Surplus RO</b>
At 1 January 2011	21,079,261
Deficit for the Year	(5,739,387)
<b>2012</b>	<b>Retained Surplus RO</b>
At 1 January 2012	15,339,874
Deficit for the Year	(2,935,684)
<b>At 31 December 2012</b>	<b>12,404,190</b>

The accompanying notes form an integral part of these financial statements.

# Statement of Cash Flows

For the year ended 31 December 2012

	2012 RO	2011 RO
<b>Operating Activities</b>		
Deficit for the Year	(2,935,684)	-
<b>Adjustments for:</b>		
• Depreciation on Property & Equipment	5,724,944	6,125,253
• Amortisation of Intangible Assets	3,388,214	3,002,058
• Provision for End of Service Benefits	518,640	27,518
<b>Operating Surplus Before Changes in Working Capital Changes</b>	<b>6,696,114</b>	<b>3,415,442</b>
<b>Working Capital Changes:</b>		
• Inventory	21,024	(74,214)
• Trade & Other Receivables	(4,198,936)	864,931
• Unearned Revenue	(6,208,739)	5,333,294
• Payable to Microsoft	5,122,997	(1,646,081)
• Trade & Other Payables	(999,469)	1,681,042
<b>Cash Generated from Operations</b>	<b>432,991</b>	<b>9,574,414</b>
End of Services Benefits Paid	(71,115)	(8,909)
<b>Net Cash Generated from Operating Activities</b>	<b>361,876</b>	<b>9,565,505</b>
<b>Investing Activities:</b>		
• Purchase of Property & Equipment	(430,476)	(569,976)
• Purchase of Intangible Assets	(7,798,948)	(173,411)
• Capital Work-in-progress	-	(460,433)
<b>Net Cash Used in Investing Activities</b>	<b>(8,229,424)</b>	<b>(1,203,820)</b>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>(7,867,548)</b>	<b>8,361,685</b>
Cash & Cash Equivalents at the Beginning of the Year	11,566,825	3,205,140
<b>Cash &amp; Cash Equivalents at the End Of The Year (Note 9)</b>	<b>3,699,277</b>	<b>11,566,825</b>

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 December 2012

## 1. General

Information Technology Authority (the "Authority") was set up by the issue of the Royal Decree No 52/2006 and is 100% owned by Government of Oman.

The address of its registered office and its principal place of business is P O Box 1807, Postal Code 130, Al Athaiba, Sultanate of Oman.

The principal activities of the Authority are to:

- Transform the Sultanate of Oman into a knowledge – based economy for achievement of social and economical benefits to the Omani society;
- Assist Government units in implementing IT projects;
- Implement National IT infrastructure projects and supervise all projects related to e-Oman strategy implementation; and
- Prepare regulations and implement measures necessary for the fulfillment of digital Oman society requirements and realization of integration for electronic service delivery.

These financial statements are presented in Rials Omani (RO) since that is the currency in which the majority of the transactions are denominated.

## 2. Adoption of New & Revised International Financial Reporting Standards (IFRS)

For the year ended 31 December 2012, the Authority has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the year beginning on 1 January 2012.

### 2.1 Standards & Interpretations Adopted with No Effect on the Financial Statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

Amendments to IFRS 7 Disclosures – Transfer of Financial Assets	Amendments to IAS 12 Deferred Tax: Recovery of Underlying Assets
<p>The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets.</p> <p>These amendments are intended to provide greater transparency around risk exposures of transactions where a financial asset is transferred but the transferor retains some level of continuing exposure in the asset.</p>	<p>The amendments to IAS 12 provide an exception to the general principal set out in IAS 12 Income Taxes that the measurement of deferred tax should reflect the manner in which an entity expects to recover a carrying amount of the asset.</p> <p>Specifically, the amendments established a rebuttable presumption that the carrying amount of an investment property measured using the fair value model in IAS 40 Investment Property will be recovered entirely through sale.</p>

## 2.2 Standards & Interpretations in Issue Not Yet Effective

At the date of authorisation of these financial statements, the following new and revised Standards and Interpretations were in issue but not yet effective:

New IFRS & Relevant Amendments	
Financial Instruments	Effective for Annual Periods Beginning on or After
IFRS 9: Financial Instruments (as revised in 2010 to include requirements for the classification & measurement of financial liabilities and incorporate existing derecognition requirements)	January 2015
Amendments to IFRS 9 and IFRS 7: Mandatory Effective Date of IFRS 9 & Transition Disclosures	January 2015
Consolidation, Joint Arrangements, Associates & Disclosures	
IFRS 10: Consolidated Financial Statements	January 2013
IFRS 11: Joint Arrangements	January 2013
IFRS 12: Disclosure of Interests in Other Entities	January 2013
Amendments to IFRS 10, IFRS 11 and IFRS 12 Consolidated Financial Statements, Joint Arrangements & Disclosures in Other Entities: Transition Guidance & Investments Entities	January 2013
IAS 27: Separate Financial Statements (As revised in 2011)	January 2013
IAS 27: Separate Financial Statements Amendments for Investments Entities	January 2014
IAS 28: Investments in Associates, Reissued as IAS 28 Investments in Associates & Joint Ventures (As revised in 2011)	January 2013
Fair Value Measurement	
IFRS 13: Fair Value Measurement	January 2013
Revised IFRS	
Employee Benefits	
IAS 19: Employee Benefits (As revised in 2011 for the post-employment benefits & termination benefits )	January 2013
Amendments to IFRSs	
IAS 1: Presentation of Items of Other Comprehensive Income	July 2012
IAS 32: Offsetting Financial Assets & Financial Liabilities	January 2014
Annual Improvements to IFRSs 2009 to 2011 Cycles	January 2013
IFRS 7: Disclosures – Offsetting Financial Assets & Financial Liabilities	January 2013
New Interpretations & Amendments to Interpretations	
IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

The management anticipates that the adoption of the above standards and interpretations in future periods will have no material impact on the financial statements of the Authority in the period of initial application.

### 3. Summary of Significant Accounting Policies Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

#### Basis of Preparation

These financial statements have been prepared on the historical cost basis except certain financial instruments which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies which have been applied consistently are set out below:

#### Property & Equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Borrowing costs relating to fixed assets are capitalised up to the date the related asset is put to commercial use. Where an item of property and equipment comprises major components, having different useful lives it is accounted for as a separate item of property and equipment.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property and equipment. All other expenditure is recognized in the statement of receipts and expenses as an expense as incurred. Normal maintenance and repairs are charged to statement of receipts and expenses as and when incurred.

Depreciation is charged to the statement of receipts and expenses on a straight-line basis over the estimated useful lives of the asset. Freehold land and capital assets in progress are not depreciated.

Full depreciation is charged for the month in which asset is put in use and no depreciation is charged for the month in which asset is sold.

#### The estimated useful lives are as follows:

Furniture & Fixtures	4 Years
Motor Vehicles	4 Years
Office Equipment	3 Years
Hardware & Terminals	3 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals of property and equipment are determined by reference to their carrying amounts and taken into account in determining surplus / deficit for the year.

#### Intangible Assets

Costs relating to licenses are capitalized and amortized on a straight-line basis over the period of the license.

#### Capital Work-in-progress

Capital work-in-progress assets is stated at cost and is transferred to the appropriate categories of property and equipment and intangible assets when completed and ready for intended use and depreciated in accordance with the Authority's policies.

#### Financial Instruments

Financial assets and financial liabilities are recognized when the Authority becomes a party to the contractual provisions of the instrument.

The principal financial assets are cash and bank balances and other receivables.

Trade and other receivables are initially measured at their fair value and subsequently measured at amortized cost, using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognized in the statement of receipts and expenses when there is objective evidence that the asset is impaired.

The principal financial liabilities are trade and other payables, and payable to Microsoft.

Trade and other payables are initially measured at their fair value and subsequently measured at amortized cost, using the effective interest method.

### Impairment

At each reporting date, the Authority reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The loss arising on an impairment of an asset is determined as the difference between the recoverable amount and the carrying amount of the asset and is recognized immediately in the statement of receipts and expenses.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount and recognized in the statement of receipts and expenses immediately, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized earlier.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average principle and includes all costs incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

### Cash & Cash Equivalents

For the purpose of cash flows statement, cash and cash equivalents consist of cash on hand and balance with bank, maturing within three months from the date of placement.

### End of Service Benefits

Provision in respect of employee benefits for non-Omani employees is made in accordance with the Oman labour laws, and is based on current remuneration and cumulative years of service at the reporting period.

Provision in respect of employee benefits for Omani employees is made in accordance with the Authority's policies, and is based on current remuneration and cumulative years of service at the reporting period; subject to a minimum employment of five years, and a maximum limit of RO 12,000.

Employee benefits for Omani employees are contributed in accordance with the terms of the Social Insurance Law of 1991. Such contributions are expensed when incurred.

### Provisions

A provision is recognized in the statement of financial position when the Authority has a legal or constructive obligation, as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

### Revenue

Contributions from Ministry of Finance (MOF) are recognized on the following basis:

- Contribution against general and administrative expenses are recognized according to approved budget by MOF during the concerned period; and
- Contribution against capital expenditures is recognized according to the cash calls raised by the Authority.

Interest income is recognized in the statement of receipts and expenses as it is accrued, taking into account the effective yield on the asset.

All other income is recognised on accrual basis.

- **Income tax**  
The Authority is exempted from income tax.
- **Foreign currencies**  
Transactions are recorded on initial recognition in Rials Omani, being the currency of the primary economic environment in which the Authority operates (the functional currency). Transactions in foreign currencies are converted into Rials Omani using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of receipts and expenses.

#### 4. Critical Accounting Judgments & Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the resultant provisions and changes in fair value. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgment and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated liabilities and assets.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Key sources of Estimation Uncertainty Useful Lives of Property & Equipment

Depreciation is charged so as to allocate the cost of assets over their estimated useful lives. The calculation of useful lives is based on management's assessment of various factors such as the operating cycles, the maintenance programs, and normal wear and tear using its best estimates.

#### Amortization

License cost is amortized on a straight line basis over the period of the license.

#### Allowance for Impairment of Receivables

An estimate of the collectible amount of trade accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

#### 5. Property & Equipment

Cost	Hardware & Terminals RO	Furniture & Fixtures RO	Motor Vehicles RO	Office Equipment RO	Total RO
1 January 2011	13,768,993	1,372,692	161,350	2,270,747	17,573,782
Additions	321,608	225,134	6,229	17,005	569,976
Transfer from Capital Work-in-progress	879,321	-	-	-	879,321
1 January 2012	14,969,922	1,597,826	167,579	2,287,752	19,023,079
Additions	340,307	21,704	25,000	43,465	430,476
Disposals	-	-	(18,000)	-	(18,000)
<b>31 December 2012</b>	<b>15,310,229</b>	<b>1,619,530</b>	<b>174,579</b>	<b>2,331,217</b>	<b>19,435,555</b>
<b>Depreciation</b>					
1 January 2011	2,217,375	478,583	99,296	778,087	3,573,341
Charge for the Year	5,026,278	340,920	25,816	732,239	6,125,253
1 January 2012	7,243,653	819,503	125,112	1,510,326	9,698,594
Charge for the Year	4,668,122	324,621	28,132	704,069	5,724,944
Disposals	-	-	(18,000)	-	(18,000)
<b>31 December 2012</b>	<b>11,911,775</b>	<b>1,144,124</b>	<b>135,244</b>	<b>2,214,395</b>	<b>15,405,538</b>
<b>Carrying Value</b>					
<b>31 December 2012</b>	<b>3,398,454</b>	<b>475,406</b>	<b>39,335</b>	<b>116,822</b>	<b>4,030,017</b>
<b>31 December 2011</b>	<b>7,726,269</b>	<b>778,323</b>	<b>42,467</b>	<b>777,426</b>	<b>9,324,485</b>



## 6. Intangible Assets

	2012 RO	2011 RO
<b>Cost</b>		
At 1 January	22,410,750	21,319,597
Additions	7,798,948	173,411
Transfer from Capital Work-in-progress	-	917,742
<b>At 31 December</b>	<b>30,209,698</b>	<b>22,410,750</b>
<b>Amortization</b>		
At 1 January	14,443,218	11,441,160
Charge for the year	3,388,214	3,002,058
<b>At 31 December</b>	<b>17,831,432</b>	<b>14,443,218</b>
<b>Carrying Value</b>		
<b>At 31 December</b>	<b>12,378,266</b>	<b>7,967,532</b>

Additions include license costs of RO 7,684,496 acquired from Microsoft as per the agreement dated 14 October 2012.

## 7. Capital Work-in-progress

	2012 RO	2011 RO
ePayment Gateway	68,427	68,427
<b>At 31 December</b>	<b>68,427</b>	<b>68,427</b>

This relates to the E-Payment Gateway – phase II project. The project has been postponed and awaiting approval from the Central Bank of Oman (CBO). The Authority expects a significant amount of investment in terms of infrastructure, software and support in the coming years

## 8. Trade & Other Receivables

	2012 RO	2011 RO
<b>Receivable from Ministry of Finance against</b>		
Government Network	-	892,740
Receivables from Governmental Departments	1,611,955	1,314,635
Advance to Suppliers	4,116,014	976,737
Reinvestment Receivable from Microsoft	1,536,827	95,407
Other Receivables & Prepayments	244,698	31,039
	<b>7,509,494</b>	<b>3,310,558</b>

## 9. Cash & Cash Equivalents

	2012 RO	2011 RO
Cash-in-hand	1,428	1,746
Bank Balances	3,697,849	11,565,079
	<b>3,699,277</b>	<b>11,566,825</b>

## 10. Retained Surplus

This represents the accumulated surplus of receipts over expenses of the Authority from the period since inception, 31 May 2006 to date.

## 11. End of Service Benefits

	2012 RO	2011 RO
At 1 January	76,574	57,965
Charge During the Year	518,640	27,518
Payments Made During the Year	(71,115)	(8,909)
<b>At 31 December</b>	<b>524,099</b>	<b>76,574</b>

## 12. Trade & Other Payables

	2012 RO	2011 RO
Trade Payables	4,991,259	6,144,552
Accrued Expenses	1,857,832	1,681,601
Advance from Customers	1,298,408	1,320,815
<b>At 31 December</b>	<b>8,147,499</b>	<b>9,146,968</b>

## 13. Short-term Payable to Microsoft

The amount is in respect of the agreement with International Information Technology Company (IITC) towards the renewal of Microsoft licenses on 14 October 2012. The contract is effective for three years till 30 June 2015.

**14. Unearned Revenue**

	2012 RO	2011 RO
At 1 January	7,762,346	2,429,052
Unearned Revenue Booked During the Year	1,547,632	7,676,897
Transferred to Income	(7,756,371)	(2,343,603)
<b>At 31 December</b>	<b>1,553,607</b>	<b>7,762,346</b>

In accordance with the agreement with International Information Technology Company LLC, a Microsoft Certified Learning Solutions Partner and Microsoft Gold Certified Partner is required to reinvest an amount of RO 1,536,827 for a period of three years in respect of implementation of the Service Level Agreement and Value Added Services or any other approved activities. Reinvestment installment due is initially taken to unearned revenue and transferred to revenue to the extent of expenditures incurred. Funds that have not been allocated or utilized within one year can be carried over to the next year. However, no funds can be carried over beyond the three year duration of the agreement.

**15. Revenue from Government Contribution**

This represents contributions from Ministry of Finance recognized according to the accounting policy adopted by the Authority.

**16. Other Income**

	2012 RO	2011 RO
Interest Income	44,451	34,499
Other Income	287,922	167,240
<b>Total</b>	<b>332,373</b>	<b>201,739</b>

**17. General & Administrative Expenses**

	2012 RO	2011 RO
Consultancy Fees	1,985,033	1,072,873
Travelling Expenses	1,002,488	679,475
Utility	451,160	738,548
Office Expenses	949,140	484,741
Rent	772,467	588,290
Advisory Fees	11,944	6,468
Seminars & Workshops	113,837	73,279
Repairs & Maintenance	14,395	1,905
Sitting Fees	15,300	12,900
Vehicle Maintenance Expense	25,140	16,292
Professional & Legal Expense	5,655	5,984
<b>Total</b>	<b>5,346,559</b>	<b>3,680,755</b>

## 18. Salaries & Employees Related Costs

Local Staff	2012 RO	2011 RO
Basic Salaries	2,980,229	2,527,437
Standard Allowances	891,971	721,478
Staff Bonus	683,188	643,629
End of Service Benefits Charged (Note 11)	480,218	-
<b>Total</b>	<b>5,035,606</b>	<b>3,892,544</b>
Expatriates		
Basic Salaries	382,695	388,270
Standard Allowances	108,089	156,420
Staff Bonus	54,535	73,480
End of Service Benefits Charged (Note 11)	38,422	27,518
<b>Total</b>	<b>583,741</b>	<b>645,688</b>
Authority's Contributions for Employee Civil Services End of Service Benefits	619,321	519,358
Medical Expenses	188,862	177,238
Training Costs	350,519	220,458
Travel Allowances	17,977	20,372
Others	760,295	490,644
	<b>1,936,974</b>	<b>1,428,070</b>
<b>Total</b>	<b>7,556,321</b>	<b>5,966,302</b>

## 19. National PC Initiative Program Expense

The National PC initiative program for the bulk purchase of laptops, computers and related accessories was introduced at the end of the year 2010. The objective of the initiative program is to provide for laptops and computers at subsidized rates through approved retailers for various segments of the Omani Society, particularly higher education students, teachers and Social Insurance Beneficiaries.

## 20. Distribution Costs

	2012 RO	2011 RO
Advertisement Expenses	1,179,323	1,193,381
Project Launching Expenses	64,248	43,540
Giveaways & Others	180,771	115,072
<b>Total</b>	<b>1,424,342</b>	<b>1,351,993</b>

**21. Other Operating Expenses**

	2012 RO	2011 RO
Project Related Maintenance Costs	3,361,019	2,113,463
Government Training Fees	717,500	1,945,291
Operational Management	987,142	873,359
Bank Charges & Other Expenses	2,563	2,452
Exchange Loss	2,462	224,241
Other	3,243	-
<b>Total</b>	<b>5,073,929</b>	<b>5,158,806</b>

**22. Financial Instruments & Financial Risk Management**

Financial instruments carried on the statement of financial position comprise cash and cash equivalents, trade and other receivables and trade and other payables.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

The Authority's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance, but does not hedge any risks.

Risk management is carried out by the finance department under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, finance cost risk and credit risk.

**(1) Credit Risk**

Credit risk is the risk of financial loss to the Authority if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Authority's receivables from customers.

The Authority's exposure to credit risk is influenced mainly by the individual characteristics of each party. All major parties are based in the Sultanate of Oman.

The Authority has established credit policies and procedures that are considered appropriate and commensurate with the nature and size of receivables.

In monitoring credit risk, receivables are segmented according to their credit characteristics in the following categories:

- Government Receivables
- Others

**Exposure to Credit Risk**

The potential risk in respect of amounts receivable is limited to their carrying values as management regularly reviews these balances whose recoverability is in doubt. There is no credit risk in respect of receivable from Government.

The carrying amount of financial assets represents the maximum credit exposure.

The exposure to credit risk at the reporting date was on account of:

	2012 RO	2011 RO
Reinvestment Receivable from Microsoft	1,536,827	95,407
Other Receivables	7,500	7,500
Cash at Bank	3,697,849	11,565,079
<b>Total</b>	<b>5,242,176</b>	<b>11,667,986</b>

At the reporting date other receivables consist of one party which is fully provided for.

The exposure to credit risk for trade receivables at the reporting date by type of customer was:

	2012 RO	2011 RO
Microsoft – Reinvestment Cost	1,536,827	95,407
Other Customers	7,500	7,500
<b>Total</b>	<b>1,544,327</b>	<b>102,907</b>

## (2) Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due.

Typically the Authority ensures that it has sufficient cash on demand to meet

expected operational expenses including the servicing of financial obligations.

The Government guarantees payment of the Authority's obligations on due dates. Further, the Authority ensures that sufficient cash balance is maintained to cover its outstanding liabilities.

The following are the maturities of the financial liabilities:

	Carrying Amount RO	6 Months or Less RO
<b>31 December 2012</b>		
Trade Payables	4,991,259	4,991,259
Accrued Expenses	1,857,832	1,857,832
<b>Total</b>	<b>6,849,091</b>	<b>6,849,091</b>
<b>31 December 2012</b>		
Trade payables	6,144,552	6,144,552
Accrued expenses	1,681,601	1,681,601
<b>Total</b>	<b>7,826,153</b>	<b>7,826,153</b>

**(3) Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates affect the Authority's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Foreign Currency Risk**

The Authority's functional and presentation currency is Rials Omani and the Authority's performance is substantially independent of changes in foreign currency rates. There are no significant financial instruments denominated in foreign currency and consequently foreign currency risk is not significant.

**23. Fair Value of Assets & Liabilities**

The fair value of assets and liabilities are approximate to their carrying values in the balance sheet date.

**24. Commitments**

	2012 RO	2011 RO
<b>Capital Commitments Contracted for</b>	<b>29,364,522</b>	<b>24,269,971</b>

**25. Capital Management**

The Authority's objectives when managing capital are to safeguard the Authority's ability to continue as a going concern and benefit other stakeholders. The management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

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