



# Investing in Oman:

## A Comprehensive Report



### INTRODUCTION

Oman, located in the heart of the Gulf region, is a rising investment destination offering a dynamic business environment, political stability, and a strategic location. With a population of approximately 4.6 million (2023 estimate) and a GDP of over \$90 billion, Oman is one of the most prosperous and business-friendly nations in the Middle East.

Known for its visionary leadership, Oman has invested heavily in diversifying its economy under the Vision 2040 strategy. The government is creating a thriving environment for foreign direct investment (FDI) by focusing on non-oil sectors such as tourism, logistics, manufacturing, renewable energy, agriculture, and technology.

Oman's unique geographic position at the crossroads of Asia, Africa, and Europe, combined with its modern infrastructure, tax benefits, and government incentives, makes it an attractive destination for global investors.

### BACKGROUND

Oman is a key player in the Arabian Gulf, strategically located on the southeastern tip of the Arabian Peninsula, with access to the Indian Ocean and the Gulf of Oman. Its capital, Muscat, is the economic and cultural hub, while ports like Duqm, Sohar, and Salalah serve as critical global trade gateways.

Historically reliant on oil and gas, Oman is transitioning to a diversified economy, driven by its Vision 2040 plan, which focuses on sustainable development and maximizing non-oil revenues. The country is strengthening its industrial base, modernizing its logistics network, and investing in renewable energy to support long-term growth.

Oman enjoys strong ties with neighboring Gulf Cooperation Council (GCC) countries and global trade partners. Its free trade agreements, particularly with the United States and other regions, provide access to over 1.5 billion consumers worldwide.

With a stable government, forward-thinking policies, and a strong commitment to economic reform, Oman is one of the most promising investment destinations in the Middle East.

### BENEFITS OF INVESTING IN OMAN

#### Strategic Location

Oman's location at the junction of major international shipping routes makes it a critical trade and logistics hub for accessing markets in Asia, Africa, and Europe.

#### Political Stability and Business-Friendly Environment

Recognized for its political stability, Oman offers a secure and predictable environment for investors, supported by streamlined business regulations.

#### Vision 2040 Economic Diversification

Oman's Vision 2040 fosters growth in non-oil sectors such as tourism, technology, manufacturing, and renewable energy, creating diverse investment opportunities.

#### World-Class Infrastructure

Oman boasts state-of-the-art infrastructure, including modern highways, international airports, and major ports such as Duqm Port, which is emerging as a global logistics hub.

#### Open Economy and Free Trade Agreements

Oman's open economy and free trade agreements provide tariff-free

access to key markets, including the United States, GCC countries, and Asia-Pacific nations.

#### Competitive Tax Environment

Oman offers a low corporate tax rate of 15%, no personal income tax, and tax exemptions for specific industries and free zone businesses.

#### Skilled and Diverse Workforce

Oman has a skilled and multilingual workforce, supported by government initiatives to enhance education and training in emerging industries.

#### Proactive Government Support

The Omani government actively supports foreign investors by offering incentives, subsidies, and partnerships in priority sectors.

#### Growing Renewable Energy Sector

Oman's abundant solar and wind resources provide a strong foundation for renewable energy investments, aligning with global sustainability goals.

#### Quality of Life

Oman offers a high standard of living, excellent healthcare, and a vibrant cultural scene, making it an attractive destination for expatriates and businesses.

### RELEVANT AGENCIES

Several government institutions and organizations play a key role in facilitating investment in Oman:

#### Ministry of Commerce, Industry, and Investment Promotion (MOCIIP):

Oversees trade, industry, and investment policies, providing support to investors across various sectors.

#### Oman Investment Authority (OIA):

The country's sovereign wealth fund, promoting strategic investments in key sectors and supporting large-scale projects.

#### Public Authority for Special Economic Zones and Free Zones (OPAZ):

Manages Oman's free zones and special economic zones, offering incentives and infrastructure for businesses.

#### Duqm Special Economic Zone Authority (SEZAD):

Focuses on developing the Duqm Special Economic Zone, a global logistics and industrial hub.

#### Oman Chamber of Commerce and Industry (OCCI):

Facilitates networking, advocacy, and support for businesses operating in Oman.

#### Oman Vision 2040 Implementation Follow-up Unit:

Oversees the implementation of Vision 2040 projects and ensures alignment with strategic goals.

#### Oman Power and Water Procurement Company (OPWP):

Supports investments in renewable energy and water desalination projects.

#### Oman Tourism Development Company (OMRAN):

Promotes investments in the tourism and hospitality sectors, focusing on luxury resorts, eco-tourism, and cultural tourism.

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## INCENTIVES FOR INVESTORS

Oman offers a wide range of incentives to attract foreign direct investment:

### Tax Benefits

**Corporate Tax Exemptions:** Tax holidays of up to 10 years for businesses in specific sectors or free zones.

**No Personal Income Tax:** Employees and investors enjoy a tax-free income environment.

### Free Zones and Special Economic Zones

Free zones such as Duqm, Sohar, and Salalah provide 100% foreign ownership, duty-free imports, and tax exemptions.

### Customs Duty Exemptions

Duty-free importation of equipment, raw materials, and goods for businesses operating in free zones or approved industries.

### Land and Infrastructure Support

Long-term leases and access to well-developed infrastructure in industrial parks and free zones.

### Export Incentives

Duty-free access to GCC markets, the United States (under the Oman-US FTA), and other international markets.

### Investment Protection

Legal guarantees under Oman's Foreign Capital Investment Law, ensuring profit repatriation and protection against expropriation.

### Renewable Energy Incentives

Subsidies, grants, and feed-in tariffs for solar, wind, and green hydrogen projects under Oman's sustainability commitments.

### Public-Private Partnerships (PPPs):

Opportunities to collaborate with the government in large-scale infrastructure, energy, and tourism projects.

## OPPORTUNITIES FOR INVESTORS

### Logistics and Infrastructure

Oman's strategic location and modern ports like Duqm, Salalah, and Sohar offer opportunities in warehousing, transportation, and global trade.

### Renewable Energy

With abundant solar and wind resources, Oman presents lucrative opportunities in solar farms, wind energy, and green hydrogen development.

### Tourism and Hospitality

Oman's rich cultural heritage, pristine beaches, and scenic landscapes create opportunities for investments in luxury resorts, eco-tourism, and adventure tourism.

### Manufacturing and Industrial Development

Oman's industrial zones and free zones support investments in petrochemicals, metals, plastics, and automotive components.

### Fisheries and Agriculture

Oman's long coastline and fertile land offer opportunities in aquaculture, fish processing, and organic farming.

### Technology and Innovation

The country's focus on digital transformation creates opportunities in fintech, cybersecurity, IT services, and smart city solutions.

### Healthcare and Pharmaceuticals

Growing demand for healthcare services and pharmaceuticals presents opportunities for private hospitals, clinics, and drug manufacturing.

## Education and Training

Investments in international schools, vocational training centers, and e-learning platforms align with Oman's emphasis on human capital development.

## CONCLUSION

Oman is an investment destination full of promise, offering a secure, business-friendly environment and a wealth of opportunities across diverse sectors. From its strategic location and modern infrastructure to its commitment to economic diversification under Vision 2040, Oman is well-positioned to attract global investors.

The government's proactive approach, generous incentives, and focus on sustainability ensure a long-term, profitable investment climate. Whether in logistics, renewable energy, tourism, or technology, Oman offers unmatched growth potential for businesses seeking to expand in the Middle East and beyond.

Investing in Oman is not just about financial returns—it is about being part of a forward-looking nation that is shaping the future of the region.

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