



Economic Report 2025

Oman

22 July 2025

Executive Summary

Oman struggled for some time with a low oil price, a precarious financial situation and declining assessments of the country's creditworthiness. Since mid-2021, these variables have constantly improved (oil price, finances, credit rating) – particularly the **debt reductions** and spending restraints have moved Oman back towards an **investment grade rating** -, but the Omani economy is still characterized by **volatility** (oil price), slow-moving **diversification** and rising (youth) **unemployment**. The current hydrocarbon price allows Oman to repay loans earlier, while the stabilized credit rating allows it to take out new loans at improved conditions. Still, the Omani authorities will be forced to implement austerity measures to further contain the budget deficit, while preventing these to increase the risks of discontent among the population. The government is currently unable to offer the necessary number of new jobs in the public sector; short-termist **Omanisation** measures and a focus on **in-country-value** in tenders are two of the measures taken to improve the situation. The private sector continues to struggle in competing against **dominant state-owned companies**, although the government is creating various incentives for innovation, entrepreneurship and SMEs.

Despite the diversification efforts of the past years, Oman remains a **largely hydrocarbon-dependent economy**, providing the bulk of public revenues. Given the limits of crude and natural gas reserves, the pressure to become less hydrocarbon-dependent is significant. However, non-hydrocarbon revenues grew only modestly by 1.6% of GDP during 2020-2024. The country continues seeking to diversify its economy by implementing reforms under Vision 2040. Noteworthy are the efforts to position the Sultanate as a key hub for **green hydrogen** in view of a decarbonized economy.

Oman is politically **stable**, one of the safest countries in the region, and geographically well located at the **crossroads** of Middle East, Asia and East Africa. For Switzerland, Oman offers several opportunities, *inter alia* in sustainable energy, cleantech, logistics, infrastructures, tourism and health/pharmaceuticals. **Bilateral trade** from 2023 to 2024 has **increased by 3.5%** to over 318 Mio CHF, whereby 290 Mio CHF are exports from Switzerland to Oman. Trade is expected to further grow in 2025; indeed, during the first five months of 2025, the bilateral trade further increased by over 10%. Important trade commodities are precision instruments, clocks, watches and jewellery; pharmaceutical products; as well as machines. Steadily increasing is the number of Swiss companies that have a physical presence in the Sultanate.

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

After taking office in January 2020, Sultan Haitham bin Tariq carried out a government reform as early as August 2020 to bring Oman into line with Vision 2040, which aims to diversify and reform Oman's economy for greater competitiveness. The double blow of low oil prices and Covid-19 shortly after Sultan Haitham took office was particularly challenging because the Sultanate's financial situation had deteriorated massively in previous years under Sultan Haitham's predecessor Sultan Qaboos (public debt, for example, had soared from 10% to 70% since 2014) and corruption had spread in its wider environment. Under the precarious financial and economic conditions, the focus was on reducing spending, the budget deficit and overall public debt. To justify these measures, the Sultan made it clear vis-à-vis the Omani population that the implementation of strategic development projects of Vision 2040 could not be achieved without fiscal sustainability of the state. Despite efforts to cushioning the impact of Covid-19, the crisis pushed the then financially fragile Sultanate to the brink of insolvency in 2020 and raised the question of where Oman can raise funds from donor countries without sacrificing its foreign policy equidistance. Since 2023, economic recovery efforts have gained some momentum. Despite diversification efforts, the economy of the Sultanate remains largely hydrocarbon dependent which represent around 25-35% of GDP, 70-80% of total fiscal revenue and 60-75% of total exports of goods. The volatility of oil and LNG prices therefore remains the single most important fiscal risk for Oman.

Economic Indicators: The situation has significantly improved from 2022 onwards thanks to the government's macroeconomic management and reform efforts. With the support of favourable oil and gas prices and a judicious fiscal management, the [overall fiscal balance in 2024](#) was at 6.2% of GDP and the 2024 account balance at 2.4 of GDP. The total external debt significantly diminished from 2021 to 2022 thanks to the government's prepay of its debt backed by hydrocarbon dividends, and the external debt in % of GDP has decreased relatively steadily between 2023 -2024. Government debt is expected to fall to around 34% of GDP at end-2025 (from 68% in 2020). Liabilities from State-owned enterprises remain a fiscal risk; the restructuring and refinancing of Oman Air is thereby one of the key priorities. According to Moody's, the credit ratings for the Sultanate improved to Baa3 with stable outlook. GDP in 2024 grew only 1.7% and is expected to grow only 2.3% in 2025. Its growth is driven by diversification efforts and increased gas production. Inflation has been contained with low rates in 2024 at 0.6% and should remain contained in 2024.

Reforms and taxes: As part of the Oman 2040 vision, the government sets out its economic and financial objectives in five-year plans. The Medium-Term Fiscal Plan (MTFP) 2020-2024 was a cornerstone for reforms (VAT, hiring freeze in public sector, subsidies) to reach economic diversification and sustainability. The National Programme for Financial Sustainability and Development of the Financial Sector ("[Estidamah](#)"), a three-year fiscal stability program, started in January 2023. Under Estidamah, a social protection reform was introduced in July 2023 ([Royal Decree No.52/2023](#)). Among the new features, it implements a unified pension system for workers and enhances the social insurance benefits during working life (i.e., maternity and – a first in the GCC region - paternity leave). Foreign workers will progressively be included. The social reforms should enhance overall and female labour force participation as well as increasing labour mobility between the public and private sectors. Oman's extension of the social safety net came into force in 2024 at a cost of 1.3% of GDP, with the majority of funds going to old age and child support. This permanent increase in social transfers will be partly financed by lower spending on fuel subsidies (0.7% of GDP saving). The creation of the Oman Investment Authority (OIA) in 2020, which took the boards of directors of Oman's 15 largest state-owned enterprises under its auspices and filled them with technocrats instead of ministers, was intended to free the Omani economy from encrusted, corruption-prone structures and make it more competitive. OIA inherited more than 160 companies from the state, with varying financial and non-financial performance. According to the government, profits from OIA are estimated at around OMR 1.5 BN for 2024. In May 2023, the country announced the creation of a 2 billion Omani rial (\$5.2 billion) investment fund, called the

Oman Future Fund, to encourage the private sector to enter partnerships to diversify the economy. The fund should invest in SMEs and start-ups up to 5 Mio OMR. Still, State-owned companies have a dominant footprint in the Omani market and limit the space for the private sector. Since April 2021, VAT at the rate of 5% is levied on goods and services in the Sultanate and on imports into Oman. Exempted from VAT are goods and services in the areas of basic foodstuffs, oil and gas (incl. derivatives), medical care, transport and vehicles, real estate as well as investments in gold, silver and platinum. With this measure, Oman complies with the GCC guidelines from 2016 (minimum tax of 5%). VAT generated around 590 Mio OMR in additional revenues in 2023 and are expected to reach 645 Mio OMR in 2024. The previously planned gradual increase in value-added tax has been postponed for the time being. In January 2028, a tax on the high-income earners will be introduced according to the [Royal Decree No.56/2025](#) of 22 June 2025. This tax will amount to 5% on net¹ annual income exceeding 42'000 OMR for physical persons. Based on the Tax Authority, this tax will concern 1% of the total population. PIT could generate additional tax revenues of about 0.4% of non-hydrocarbon GDP. Oman is the first country in the GCC to implement such a tax to the pleasing of the Bretton Woods Organizations. This makes Oman a pioneer and a potential model for other GCC countries but could further negatively impact its competitiveness as the already poorest and least competitive of the GCC countries already. (some high-net worth individuals might relocate to an alternative jurisdiction in the GCC).

Labour Market / Omanisation: The government under Sultan Haitham has introduced a paradigm shift in the labour market. Whereas previously the minimum wage for Omani workers was linked to their level of education, now a monthly minimum wage of 325 OMR (approx. 760 CHF) applies to all. The wage is a fixed floor, not tied to experience or output. In April 2024 minimum wage hike was discussed along with periodic bonuses. The new labour law that entered into force in 2024 supports flexibility by introducing a remote work model and allows for the first time terminating non-productive workers. However, it is questionable if the hurdles to terminating non-productive workers are effectively lowered. At the same time, the government pushed ahead with the Omanisation of the economy, amid growing discontent among the population over the austerity measures and rising costs. The first visible consequence was the massive exodus of foreign workers during Covid-19, affecting both "white collars", especially from Europe but also India, and "blue collars" from Asia and the Indian subcontinent. While the percentage of Omani in the public sector increased over the past 5 years from around 85% to almost 90%, the Omanisation in the private sector seems to stall. Indeed, while 2020 and 2021 saw an increase of Omanis from 16% in 2019 to 24% and 25%, respectively, in the past two years the number decreased again to under 22%. The drop has to do with a rebound of expatriate employment following the pandemic. In August 2024, a Ministerial Decision temporarily suspended visa for expatriates in selected professions for 6 months in order to boost Omanisation – a measure that remains in effect with periodic renewals. As of May 2025, all private companies must submit Omanisation employment plans, hiring at least one Omani within 3 months for companies with 10 or more employees, and within 6 months for companies with fewer than 10 employees – or face automatic bans on issuing new work permits. In September 2024, a new Ministerial Decision extended Omanisation by reserving additional technical and specialist roles for Omanis, including marketing, systems analysts, mechanical and electrical technicians, sales representatives, commercial brokers, and others. Further restrictions on some IT and computer roles are scheduled through 2027. Still, the loss of expertise due to the departure of foreign workers cannot be easily replaced in many areas and is likely to be reflected in lower productivity in the short and medium term as well as caution concerning investments.

¹ After reductions such as education and healthcare expenses, Zakat, charitable donations, etc. Exemptions might be available on income from sale of primary or secondary residences, inherited income or gifts, etc.

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

Energy: The hydrocarbon sector remains dominant in the Omani economy. In February 2025, Oman auctioned three oil gas blocks for exploration. During the same period, the Swiss trading firm Mercuria signed a 10-year LNG supply agreement with Oman LNG, covering 800 kilo-Tons per annum (KTA). This contract is in addition to other agreements, notably with TotalEnergies, which has also signed a supply-agreement for 800 KTA of LNG over ten years. At the same time, the Sultanate is striving to promote renewable energies. The state-owned energy company Energy Development Oman (EDO) was established for this purpose in 2020. Hydrom, owned by EDO and regulated by the Ministry of Energy and Minerals, is in charge of the development of green hydrogen (GH₂) projects, in order to positioning Oman as one the few GH₂ first movers in the market. The ambition of the Sultanate is to produce 1 MTA GH₂ by 2030 and 8 MTA by 2050 to achieve net carbon neutrality. The hope is that GH₂ export replaces the role that hydrocarbons currently play for the country's economy. Given the potential challenges to ship low-carbon molecules, the interest of Oman would also be to build an ecosystem of high-energy industries around the GH₂ production sites. German certification body TÜV Rheinland has issued a clean hydrogen certificate to Oman's "Greenfield" project. Oman is expected to host some of the world's largest GH₂ projects, making the oil-producing nation a pioneer in renewable energy technology. Hydrom launched the third phase of the public tenders for green hydrogen projects, scheduled for 2025 in the order to attract investors. The first two phases resulted in the selection of international consortia representing a total investment of more than \$30 billion and an expected annual production of 1.38 MTA GH₂ by 2030. Hydrom is also exploring technology partnerships, to strengthen GH₂ production and export. The Marsa LNG project, a joint venture between TotalEnergies (80%) and OQ (20%), incorporates an innovative approach by combining natural gas production with a liquefaction facility powered entirely by a 300 MW solar power plant, aiming to reduce the carbon footprint of the LNG produced. The project also includes the development of gas production from the Mabrouk North-East field and the construction of an LNG liquefaction plant at the port of Sohar, with production scheduled to start in early 2028. In 2025, during Sultan Haitham's state visit to the Netherlands an agreement was signed to establish the first commercial corridor for liquefied hydrogen, linking Duqm to Amsterdam and onward to Duisburg and Baden-Württemberg. Compliant with EU renewable fuel standards (RFNBO), this corridor may become a strategic route for Switzerland's future imports of synthetic fuels or hydrogen. Oman will need highly skilled Omani workers. The German University of Technology in Oman (GUTech) launched in May 2024 a new master track in Hydrogen Economy and Technology. Cooperation on sustainable energy technologies could be an interesting area for Switzerland. Oman offers opportunities for negative emission technologies (NET), be it through permanent mineralization of carbon dioxide in peridotite rock, be it through re-forestation of mangroves along the coastline. Since 2023, the start-up 44.01 started the mineralization of CO₂ in peridotite rock, in the Hajar mountains. The close links of 44.01 to Switzerland could present an advantage provided that bilateral agreements on CO₂ exports and carbon credits will be in place.

Mining: As part of the diversification of the economy, the mining sector is being greatly expanded. The recently created state-owned mining company Mining Development Oman (MDO) takes over the management of concessions in parallel to PDO/EDO in the energy sector. From early 2024, Oman has started the commercialization of a copper gold-mine. After almost 30 years of inactivity, copper concentrate exports resumed in December 2024 with a 900-tonne shipment. At the same time, MDO is developing the Mazoon Copper project in Yanqul, set to become the country's largest integrated copper production site, with a 2.5 MTA capacity and 115,000 tonnes of projected output. A USD 30 million deal was signed with Finland's Metso to supply advanced processing technologies. New copper deposits discovered near Muscat by Power Metal Resources confirm Oman's geological potential. Near to USD 96 million investment has been raised through an international campaign.

Transport: The city of Muscat has advanced the development of a metro system (55 km line, 2.3 bio USD), supplemented by a bus network, following the completion of the feasibility study in April 2024. At the regional level, [the Hafeet Rail project](#) is integrated into the broader GCC railway network. The Hafeet Rail, linking Sohar Port to the UAE border, is a joint venture between Oman

Rail (Asyad Group), Etihad Rail, and Mubadala Investment Company, with preparatory works already underway. Contracts have been awarded to international companies such as Larson & Toubro and Power China for the construction of logistics facilities in Al Buraimi and Sohar. The \$3 billion rail network aims to transport more than 25,000 tonnes of goods per trip. Number of bridges and tunnels must be built, in the country's mountainous regions. Given the heat in the country, innovation in tunnel construction to limit running costs will be an asset. First tenders for the construction of cable cars have been issued in the past year. These projects could be opportunities for Swiss companies and expertise.

Logistics: There is an interest of Oman to expand and develop its port infrastructures and services especially around Salalah and dry ports along the border with Saudi Arabia and the UAE. The port of Salalah plans to have a capacity of 6.6 million TEUs by end of 2025 (compared with 3.3 million in 2024), while Sohar will handle up to 9.3 MT of liquid bulk. Duqm will develop an integrated port complex with a shipyard and an oil terminal requiring 13 million m³ of dredging. The total public cost amounts to OMR 380 million.

Pharmaceutical products: Oman has declared its ambition to produce medicine in the country, thereby reducing its dependence on imports. In July 2023, Opal Bio Pharma (OBP), celebrated laying the foundation stone for the first Omani factory for vital medicines and vaccines in Oman. OBP collaborates with the German equipment company Sartorius. In November 2023, a MoU was signed between Oman's Ministry of Health and Roche, to develop their cooperation and strategic partnership. In June 2024, Menagen Pharmaceutical Industries opened a factory manufacturing medicines for rare diseases. The Ministry of Health has signalled to be ready to provide incentives for any Swiss pharmaceutical company that would want to establish a production site in Oman.

Swiss Luxury Goods: Segments of the Omani society are fond of luxury goods and high-quality brands, e.g., watches. This is reflected by the fact that a third of Swiss exports to the Sultanate are "precision instruments, clocks, watches and jewellery".

Digitalization / ICT / Fintech: Digitalization is being driven as part of the diversification and modernization of the economy. The strategy aims to make advanced technologies a pillar of national development, with the goal of increasing its contribution to GDP to 10% by 2040. The country is investing in AI (60 million OMR in 2024), cybersecurity, 5G infrastructure and digital public services (target: 80% online by end of 2025). Major projects include the OL-1 satellite, a semiconductor programme and cryptocurrency mining centres powered by renewable energy. Oman is generally interested in Fintech and the development of paperless trade. This might open possibilities for cooperation with the Cryptovalley-Ecosystem in Switzerland.

Tourism: Switzerland is one of the favourite destinations of Omanis. This could represent an important opportunity for the various sectors connected to tourism in Switzerland. However, the cumbersome Schengen visa process is negatively affecting the potential number of Omani tourists visiting Switzerland particularly during the summer months.

SMEs: Since 2019, Oman has undertaken significant reforms to boost its entrepreneurial ecosystem. The Bankruptcy Law (2020) and new commercial legislation (2019) have strengthened legal certainty for SMEs. The Invest Easy platform (2021) simplifies business registration. The Future Fund Oman (2024) should allocate OMR 60 million to SMEs. The SME Development Authority launched grants for innovative projects, while the integration of SMEs into special economic zones is accelerating. These advances pave the way for partnerships with Switzerland, considered a model in terms of SMEs and Start-ups.

Platform for Yemeni market: Yemen has been ravaged by conflict and humanitarian crises for decades. Despite security challenges, with a population of over 40 Mio people, Yemen would have the potential to become a sizeable market in the Arabian Peninsula. Oman given its geographic proximity and good relations could be an interesting platform for Swiss companies interested to access the Yemeni market.

3 FOREIGN ECONOMIC POLICY

3.1 Host country's policy and priorities

GCC: Through the GCC, Oman benefits from regional coordination regional infrastructure projects, such as the unified rail network, strengthen Oman's logistical connectivity with its neighbours, supporting its ambition to become a transport and re-export hub. The GCC remains the most important countries for trade imports into the Sultanate; in 2024 more than 46% of imports to Oman were from GCC countries (23.6% UAE, 10.1% Kuwait ,7.7% KSA, 5% Qatar).

FTAs: Oman has been traditionally dependent on trade. A more protectionist world is therefore potentially a challenge for the Sultanate. Trade agreements particularly with countries in the proximity of Oman that boost complementarity are therefore proactively being pursued. Currently, Oman has the following FTAs: GCC Customs Union (2003), Pan Arab Free Trade Area (2005), US-Oman FTA (2009), Singapore - GCC FTA (2013), EFTA - GCC FTA (2014). Since 2023, three main FTA has been signed between GCC and Pakistan (2023), South Korea (2023) and New Zealand (2024). Under negotiations are FTAs between GCC and UK, Turkey, Japan, Indonesia, China, and EU. The FTA between the **US** and Oman is currently the **only bilateral FTA** and shows the importance of this trade relationship. Despite the imposition by the United States of a 10% basic customs tariff on imports from Gulf countries in April 2025, Omani and US officials have reaffirmed the strength of the FTA. Bilateral FTA negotiations are taking place first tier with India, later second tier with other countries of the Indian subcontinent, and third tier with East African countries.

BRICS: With Iran and the UAE having already joined BRICS+ and Saudi Arabia considering a possible accession to BRICS, Oman could soon be almost surrounded by BRICS member states. To date, we have no knowledge about any public expression of interest of Oman to join BRICS+.

China: is Oman's top export partner (41%) receiving most of the Sultanate's crude oil. The Belt and Road Initiative (BRI) focuses on strategic ports. A Sino-Omani free trade zone was opened in Duqm at the end of 2021 but with limited impact. In the past years, Chinese enterprises are more present (in Sohar, Duqm and Salalah)

Indian Subcontinent: With 400 Mio middle-class people that grows annually by over 5%, this geographic area represents a priority for Oman. India is given the highest priority; second tier would be Bangladesh, Nepal, Pakistan and Sri Lanka. These countries will have significant requirements in terms of infrastructure (cement, steel, gypsum), plastics and IT technology. Oman is interested to export steel, aluminium, gypsum, cement clinker (limestone) and urea to these countries.

India: is among the top 5 exporters to Oman. For India, Oman represents an important interlocutor at the Gulf Cooperation Council (GCC) and the Arab League. Oman was invited as a guest by India in summer 2023 to the G20. In April 2024, the two countries started negotiations on a Comprehensive Economic Partnership Agreement (CEPA). The agreement will boost Indian exports, and support Oman's economy diversification.

Brazil: Brazil is a top 10 trade importer to Oman, whereby Brazil mainly imports iron and steel to the Sultanate. Brazilian group Vale has an important steel plant in Sohar and has signed agreements with the Sultanate to set up a "green steel" plant in Duqm.

East Africa: Kenya, Tanzania, Uganda have been identified as bilateral priority countries due to the growing population, the historic social and cultural connection to the Sultanate, their economic stability and solid education. Oman is interested in exporting basic commodities such as steel, petrochemicals and cement to East Africa, while securing food imports from this fertile region.

3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

Important framework agreements (Protection of Investment, Avoidance of Double Taxation, Air Services; Free Trade Agreement GCC-EFTA) are in force. The EFTA-GCC agreement, which should be a relative advantage for Switzerland compared to other European countries, doesn't seem to yield a significant gain. The bilateral MoUs (Tourism, Energy) will need to be put into practice in order to yield potential advantages for Swiss companies. Countries (such as Belgium, Netherlands, South Korea, ...) that are early movers in GH₂ might be given more advantageous conditions. The loss of reputation of the "West" in the eyes of the Omani population since the conflict in Gaza after 7 October 2023 have led to boycott or discrimination of Western, including Swiss, companies.

4 FOREIGN TRADE

4.1 Developments and general outlook

4.1.1 Trade in goods

According to data from the Omani statistics authority, **exports** from Oman grew by over 6% in 2024 (after a contraction the previous year). China remains by far the most important customer (with a share of over 40%) of Omani export goods, namely oil. South Korea and Japan are also in the top three (mainly LNG) with significant increases (>55% and >34%, respectively). **Imports** increased slightly by 12%, further diminishing the overall trade surplus. The UAE remains in first place in terms of imports, with a share of over 23%. However, it is probable that a significant share of these imports just transit through the UAE and don't originate there. China replaces Saudi Arabia as the second import country with an increase of almost 70%. Imports from Kuwait have again increased by 150% (after an increase of over 400% in 2023), becoming the third most important importer to Oman.

4.2 Bilateral trade

4.2.1 Trade in goods

The bilateral trade volume increased to 318 Mio CHF in 2024, with a trade balance in favour of Switzerland of over 260 Mio CHF according to Swiss statistics. **Imports** from Oman to Switzerland shrank in 2024 (-9%), after a significant growth in 2023 according to Swiss statistics, while fell significantly (-60%) according to Omani statistics. **Exports** from Switzerland to Oman increased by 5% according to Swiss statistics (+11% according to Omani data). The first five months of 2025 indicate further robust growth in the bilateral trade (+11% exports; +173% imports). In terms of imports into Switzerland, there was a particular increase in metals (representing >20% of imports); indeed, the import in metals (mainly aluminium) from the Sultanate are high since 2020. In terms of exports from Switzerland, clocks and watches are highest (38%), closely followed by the pharmaceutical sector (31%). Since 2021, in third place are machinery and electronics, with a share of over 18%.

5 DIRECT INVESTMENTS

5.1 Developments and general outlook

Attracting foreign direct investment is central to the financial stability of the sultanate and necessary for the medium-term realization of Oman's economic diversification projects. By far the most important direct investor in Oman is the UK with a share of over 48% of FDI in 2023. This is followed by the US with a share of over 24% and China with a share of around 5%.

Free trade zone (FTZ): The Public Authority for Special Economic Zones and Free Zones (OPAZ) oversees the FTZs that are mostly located near deep-sea ports and offer advantageous conditions for investors. These zones are exempt from customs duties and offer reduced Omani tax rates.

Foreign Capital Investment Law (FCIL): The law came into force in 2020 and eased restrictions on foreign investment. One of the biggest changes in the new law was the allowance of 100% foreign ownership in certain sectors. Oman's Ministry of Commerce (MOCIIP) issued a list of activities prohibited for foreign investors. The list was updated in April 2024 (MD 435/2024) with 28 new activities prohibited for foreign investors. While most of these 123 activities are of little interest to international investors, the restriction on shipping and unloading of goods, and the reservation of drinking water for Omani investors could be relevant for Swiss investors.

National Programme to Attract Private Investment: Launched by MOCIIP in 2021, the programme aims at simplifying regulations of investments, promoting FTZs as investment incubators, improving the methodology for selecting investment projects, and increasing the promotion of Oman's investment abroad. Oman grants long-term visas to foreign investors. Holders of such visas can purchase land and real estate outside designated zones.

Capital Market Incentives Program: Launched in 2021, the program is designed to enhance the attractiveness of Oman's capital markets by offering incentives such as tax exemptions, reduced listing fees, and simplified regulatory procedures. A recent update in 2024 introduced additional benefits for companies transitioning to public joint stock status, especially in priority sectors such as renewable energy, technology, logistics, and healthcare.

Future Fund: Launched in January 2024, the Future Fund has a budget of OMR 2 billion spread over five years and is managed by the Oman Investment Authority (OIA) in coordination with the Ministry of Finance and several public and semi-public entities. The fund is part of Oman's strategy to safeguard its economy against fluctuations in oil prices by diversifying investments into non-oil sectors. Its main objective is to finance projects aligned with the priorities of Vision 2040, particularly in the fields of renewable energy, technology, industry, agri-food, tourism and logistics.

InvestOman: Launched in 2022, InvestOman aims at attracting foreign direct investment (FDI). It serves as a one-stop platform providing support to investors, including information on market opportunities, regulatory guidance, and facilitation services. In September 2024, InvestOman launched a second wave of ten strategic industrial projects worth OMR 166 million, targeting AI, circular economy, and green energy. In 2024, Oman joined WAIPA, strengthening its global investment promotion role and boost FDI.

5.2 Bilateral investment

Switzerland is with roughly 225 Mio OMR (2023) one of the top 10 investors in Oman. Since Q3 of 2024, the influx of Swiss FDI significantly increased, reaching over 550 Mio OMR and making Switzerland the 6th investor after China and before Qatar (for 2025 FDI of Switzerland seems to be back to around 300 Mio OMR). Priority areas for future investment are in logistics, renewable energy, waste management, MedTech/health, tourism and finance. In the medium term, Switzerland can offer added value in the five key technologies defined by S-GE: AI, robotics, health, blockchain, advanced manufacturing.

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

The Dubai-based **Swiss Business Hub Middle East (SBHME)** is responsible for implementing Switzerland's export strategy in Oman as the representative of the official trade and investment promotion agency Switzerland Global Enterprise. It is the first point of contact for Swiss companies wishing to export to or establish themselves in Oman. At the end of 2024, the Head of SBHME visited Oman to meet with key Omani officials and business leaders.

The **Oman-Switzerland Friendship Association (OSFA)**, founded in November 2016 with honorary presidents Abdulla Al Busaidy, former Minister of Housing, and former Federal Councillor Adolf Ogi (until the end of 2021), reconstituted itself in the spring of 2021 and, under its CEO Hani-Al-Zubair, put together an economically well-connected board of representatives from Oman and Switzerland. Vincent Maître, a Geneva lawyer and member of the National Council, was recruited as the new honorary president from the Swiss side. In summer 2024, long-term honorary president from the Omani side, Abdulla Al Busaidy, passed away. Former OSFA Chairman Sheikh Saif bin Hashil Al Maskery was nominated as new honorary president from the Omani side in June 2025. OSFA organized a first Oman-Switzerland Business Forum in Bern in April 2019 on Logistics/Production, Financial Industry, and Tourism. The second Business Forum took place in October 2022 in Muscat. The third Business Forum took place in June 2023 in Lucerne on cleantech & renewable energies, infrastructure, finance & investment, vocational education, and sustainable tourism. The Fourth Business Forum is expected to be scheduled for spring 2026.

Since 1974, the Geneva-based **Arab-Swiss Chamber of Commerce and Industry (CASCI)** has promoted business relations between Switzerland and countries in the Arab world, including Oman. Omani diplomat Hilda Al Hinai has taken over as CASCI's Secretary General in 2021 in fall 2022. A Swiss – GCC Forum was scheduled in April 2024 but postponed until further notice.

Switzerland Tourism's branch office in Dubai occasionally invites Omani tour operators in Muscat to a roadshow in the presence of representatives from different Swiss destinations.

In May 2025, the **Embassy of Switzerland** participated for the third time to the Oman Sustainability Week. 17 Swiss companies from diverse sectors showcased their products and services at the **Swiss Pavilion**. A dozen exchanges with representatives of government and state-owned companies took place.

6.2 The host country's interest in Switzerland

Switzerland is well known and appreciated in Oman at the level of classical stereotypes and as a tourist and luxury destination. Due to the parallels between the two countries in terms of stability, neutral or equidistant foreign policy aimed at peace, dialogue, and constructive coexistence between the different communities (religious, linguistic, etc.), Omanis often refer to the fact that Oman is called "the Switzerland of the Middle East".

As a brand outside the political context, Switzerland is known for its natural beauty. For wealthy and influential Omani families, Switzerland is a prime educational location (private boarding schools, especially in Western Switzerland) and a second home, which they use especially during the hot summer months in Oman.

Increasingly, Switzerland is seen as a centre for innovation – be it for start-ups, new technologies or research & development. Additionally, Switzerland's expertise in sustainability, renewable energy, and precision engineering aligns with Oman's growing interest in diversifying its economy and advancing sustainable development initiatives under Vision 2040.

ANNEX 1 – Economic structure

Economic structure of the host country

	2020	2021	2022	2023	2024
Distribution of GDP²					
Primary sector	28.9%	34.1%	41.6%	38.1%	n/a
- <i>agriculture/fishing</i>	2.5%	2.4%	2.1%	2.3%	n/a
- <i>petroleum³</i>	26.5%	31.7%	39.5%	35.8%	n/a
Industry sector ⁴	8.4%	9.4%	10.1%	9.0%	n/a
Services	55.0%	49.2%	43.1%	46.4%	n/a
- <i>public services⁵</i>	23.6%	20.0%	16.4%	17.8%	n/a

	2020	2021	2022	2023	2024
Distribution of employment⁶					
Government sector	21.1%	21.0%	18.9%	18.5%	n/a
- <i>of which Omani</i>	88.8%	89.4%	89.2%	89.5%	n/a
Private sector	78.9%	79.0%	81.1%	81.5%	n/a
- <i>of which Omani</i>	24.0%	25.3%	22.0%	21.6%	n/a
Primary sector	6.9%	7.7%	8.1%	8.4%	n/a
- <i>agriculture/fishing</i>	5.6%	6.5%	7.0%	7.4%	n/a
- <i>petroleum</i>	1.3%	1.2%	1.1%	1.0%	n/a
Manufacturing sector	47.4%	42.4%	44.9%	43.3%	n/a
Services	47.0%	50.9%	48.1%	45.3%	n/a
- <i>public services</i>	8.4%	8.0%	8.7%	9.9%	n/a

² <https://www.ncsi.gov.om/Pages/NationalSummaryData.aspx>. Macroeconomic and Financial Data, National Accounts (GSP), downloaded 11.08.2024; GDP at current prices

³ Crude petroleum + natural gas

⁴ Mining + quarrying, manufacturing, electricity + water supply, building + construction

⁵ Public administration + defence; education; health; other community, social and personal services

⁶ National Centre for Statistics and Information, Statistical yearbook: [August 2020](#), [August 2021](#), [August 2022](#), [August 2023](#), [August 2024](#)

ANNEX 2 – Main economic data

Host country's main economic data (projections in *italic*)

	2022	2023	2024	2025 ⁷
GDP (USD bn) *	114.7	109.1	106.9	<i>104.4</i>
GDP per capita (USD 1'000) *	23.45	21.62	20.1	<i>19.0</i>
Growth rate (% of GDP) *	4.3	1.2	1.7	<i>2.3</i>
Inflation rate (%) *	2.5	0.9	0.6	<i>1.5⁸</i>
Unemployment rate (%) **	3.3	3.2	3.2	<i>n/a</i>
Fiscal balance (% of GDP) ***	10.1	6.9	6.2	<i>2.5</i>
Current account balance (% of GDP) *	4.0	2.5	2.2	<i>-1.5</i>
Total external debt (% of GDP) ****	63.7	61.9	59.3	<i>58.7</i>
Reserves (months of imports) *****	3.7	3.8 ⁹	n/a	<i>n/a</i>

Sources:

- * International Monetary Fund, (2025). [World Economic Outlook \(April 2025\)](#), (last accessed 04.06.2025)
- ** World Bank Group, (2025). [Unemployment, total \(% of total labor force\) - Oman](#), (last accessed 01.06.2025)
- *** International Monetary Fund, (2025). [IMF Country Reports 25/013](#), (last accessed 27.05.2025)
- **** International Monetary Fund (2025). [Presse Release NO.25/011](#), (last accessed 01.06.2025)
- ***** World Bank Group (2025), [World Bank Data – World Development Indicators](#), (last accessed 04.06.2025)

⁷ Due to the unavailability of complete data, all figures for 2025 are based on projections.

⁸ It is the calculation for the period of January-June 2025 and could change during the period.

⁹ IMF [reported](#) in May 2024 that “gross international reserves held by the Central Bank of Oman stood at \$17.5 billion in 2023 (4.1 months of prospective goods and services imports), supported by a surge in Foreign Direct Investment”

ANNEX 3 – Trade partners

Trade partners of the host country Year: 2024

from the Omani perspective; according to Omani data

Rank	Country	Exports from host country (OMR ¹⁰ million)	Share	Change ¹¹	Rank	Country	Imports to host country (OMR million)	Share	Change ¹²
1	China	9'314	41.4%	-0.6%	1	UAE	3'941	23,6%	0,4%
2	South Korea	2'002	8.9%	55.5%	2	China	1'830	11.0%	68,4%
3	Japan	1'121	5.0%	34.9%	3	Kuwait	1'692	10,1%	152.7%
4	UAE	1'077	4.8%	6.6%	4	India	1'505	9,0%	40,9%
5	KSA	849	3.8%	-19.0%	5	KSA	1'286	7,7%	-30.3%
6	India	841	3.7%	-10.0%	6	Qatar	841	5,0%	1.5%
7	Singapore	514	2.3%	-22.2%	7	Japan	554	3,3%	13,3%
8	USA	407	1.8%	-6.0%	8	Brazil	547	3.3%	16,3%
9	Egypt	215	1.0%	-42.5%	9	USA	505	3,0%	-2,9%
10	Qatar	172	0.8%	-27.5%	10	Germany	241	1,4%	-6,3%
45	Switzerland	15	0.1%	-60.2%	40	Switzerland	39	0.2%	10,7%
	Total	22'522	100 %	6.2%		Total	16'713	100 %	12.1%
	<i>Total (2023)</i>	<i>21'202</i>				<i>Total (2023)</i>	<i>14'909</i>		

Source: National Centre for Statistics & Information (2025). [Manafeth, Oman Trade Statistical Gateway](#) (last accessed: 04.06.2025)

Comment: The statistics published by the Omani authorities do not correspond at all to those published by the Swiss authorities (see Annex 4). The difference could be due to imports and exports via Dubai. Indeed, exports from Oman to Switzerland are significantly higher than the imports from Oman registered by Switzerland; while imports from Switzerland to Oman are significantly lower than the exports to Oman registered by Switzerland. Some imports of Omani goods to Switzerland might therefore appear in the statistics of imports from the UAE; and some imports of Swiss goods to Oman might appear in the statistics of imports from the UAE.

¹⁰ The source data is expressed in Omani rials (OMR). The exchange rate used is 1 OMR = 2.6 USD (as of 6 June 2025). On this basis, the total value of exports amounts to 21.202 billion USD, while that of imports reaches 55.123 billion USD.

¹¹ Percentage variation in annual value from 2023 to 2024.

ANNEX 4 – Bilateral trade

Bilateral trade between Switzerland and the host country¹²

	Export (CHF million)	Change (%)	Import (CHF million)	Change (%)	Balance (in million)	Volume (in million)
2018	258.1	-22.0	8.3	-10.0	249.8	266.4
2019	254.4	-1.4	9.2	+21.5	245.2	263.6
2020	297.3	+16.9	11.9	+26.1	285.4	309.2
2021	253.8	-14.6	13.0	+16.8	240.8	266.8
2022	246.7	-2.8	20.4	+41.38	226.3	267.1
2023	276.2	+12.0	30.9	+49.3	245.3	307.1
2024	289.1	+4.7	28.5	-9.2	260.6	317.6
2025 (I-V)¹³	132.7	+10.8	25.1	+173.3	107.6	157.8

Exports	2023 (% of total)	2024 (% of total)
1. Precision instruments, clocks and watches and jewellery	33.1%	38.4%
2. Products of the chemical and pharmaceutical industry	33.4%	31.3%
3. Machines, appliances, electronics	23.5%	18.3%
4. Forestry and agricultural products, fisheries	2.9%	2.4%

Imports	2023 (% of total)	2024 (% of total)
1. Metals	20.3	48.3
2. Precision instruments, clocks and watches and jewellery	56.9%	15.2
3. Vehicles	1.4%	12.5%
4. Leather, rubber, plastics	7.0%	11.9%

Source: Federal Office for Customs and Border Security (2025), [Swiss-Impex](#) (last accessed: 16.07.2025)

¹² General total (total 1): without gold bars and other precious metals, coin, precious stones and gems as well as works of art and antiques. Change (%) compared to the previous year.

¹³ This value corresponds to the cumulative data for the period from January to Mai 2025, therefore representing the first five months of the year. The percentage change indicates the change between 2024 and 2025, calculated over the same reference period.

ANNEX 5 – Main investing countries

Main investing countries in the host country **Year: 2023**

Rank	Country	Direct investment (OMR, stock) ¹⁴	Share	Variation (stock)	Inflows over past year (OMR)
1	UK	12'461.5	48.8%	+29.5%	2'839.6
2	USA	6'251.9	24.5%	+69.7%	2'567.7
3	Kuwait	1'259.8	4.9%	+58.1%	344.8
4	China	1'064.6	4.2%	+2.40%	25.0
5	Qatar	730	2.9%	+23%	136.3
6	UAE	705.1	2.8%	-22.9%	-209.9
7	Bahrain	518.7	2.0%	+6.4%	31.2
8	Netherlands	368.8	1.4%	+1.5%	5.3
9	India	298.8	1.2%	-6.9%	-22.2
10	<i>Switzerland</i>	224.9	0.9%	+27.4%	48.4
	Total	25'459.1	100 %	+23.6%	4'866.5

Source: National Centre for Statistics & Information (NCSI), [Statistical Bulletin: Foreign Investment](#), no.18, 2019-23, December 2024 (last accessed: 04.06.2025).

Provisional data for Q3 2024

Rank	Country	Direct investment (OMR, stock)	Share
1	UK	13'664.7	51.2%
2	USA	5'252.7	19.7%
3	UAE	836.5	3.1%
4	Kuwait	833.5	3.1%
5	China	817.8	3.1%
6	<i>Switzerland</i>	551.9	2.1%
7	Qatar	488.3	1.8%
8	Bahrain	375.7	1.4%
9	Netherlands	359.1	1.3%
10	India	286.1	1.1%
	Total	26'677.0	100 %

Source: NCSI (2025). [Data portal Foreign Investment](#) (accessed 04.06.2025)

¹⁴ OMR-CHF exchange rate (04.06.2025): 1 OMR = 2.14 CHF