

## HEADLINES:

Multi-sectoral investments offer big returns for Oman

## TEASER:

The Sultanate has announced major projects that will have a positive outcome on trade, energy, SMEs, and the pharmaceutical sectors.

Oman and Saudi companies inked a slew of new deals aimed at boosting investment and trade co-operation between the two countries.

The deals, signed during the [Oman-Saudi Investment Forum](#) in Riyadh in February, included deals focused on travel and tourism, oil, gas, logistics, e-payments and information technology. Several other memoranda of understanding (MoU) were also approved in fields related to green hydrogen, cultural projects investing, and electrical transformer services.

In addition, Oman's Public Authority for Special Economic Zones and Free Zones ([OPAZ](#)) signed an MoU with the kingdom's Economic Cities and Special Zones Authorities to boost economic and investment development between the GCC neighbours.

The MoU seeks to optimise the competitive advantage of cities and special economic zones by setting a general framework for joint activities and developing capabilities that offer mutual benefits.

The MoU will pave the way for the finalisation of detailed studies and plans for the "Integrated Economic Zone in Al Dhahirah Governorate" and joint investments in economic zones, the two parties said.

A separate [meeting](#) also explored facilitating ease of entry of Omani products in the Saudi market and ways to overcome obstacles facing Saudi investors in the Sultanate.

## MAJOR DEALS FOR OMAN LNG

Oman LNG signed binding agreements with PTT Global LNG Co of Thailand and France's [TotalEnergies](#) to supply 1.6 million metric tonnes per annum (mtpa) of liquefied natural gas (LNG) from 2025. The move further integrates Oman LNG into global markets and creates new revenue streams for the company.

The signed term-sheet agreements will see Oman LNG supplying PTT a total volume of 0.8 million mtpa of LNG based on a nine-year contract starting from 2026, and 0.8 million mtpa to TotalEnergies for a total duration of 10 years starting 2025.

Oman LNG also signed a similar term-sheet agreement with [Turkish](#) BOTAS Petroleum Pipeline Corporation (BOTAS) to supply 1 million mtpa of LNG starting 2025.

Separately, Oman's [Asyad Shipping](#), part of Asyad Group, signed an agreement with Korean shipyard Hyundai Samho Heavy Industries to build and deliver two LNG vessels by 2026. The new vessels will expand Asyad's energy logistics services as global growth in gas transportation surges.

Samho will build two state-of-the-art 5th generation tankers, helping Asyad pursue its strategy of developing a diversified fleet serving the LNG, crude, petrochemical, bulk cargo, and container markets.

"Given the trends in today's energy market that indicate higher demand for LNG compared to conventional fossil fuels, we have chosen to expand our logistics capabilities in this sector and bring in advanced LNG carriers with a capacity of 174,000 cubic metres," said Dr. Ibrahim Bakhit Al Nadhairi, Asyad Shipping and Asyad Drydock CEO.

## SME FUNDING

Oman's Small and Medium Enterprises Development Fund ([Inma Fund](#)) dispersed a total of OMR 20 million for 144 projects being developed by small and medium businesses in 2022. The industrial sector secured 20%

of government funding followed by services (19%), transport and logistics (16%), infrastructure (15%), trade (10%), tourism (9%) and the oil and gas sector (8%).

The funding allowed projects to enhance their product lines and provide a range of products and services to the local market, which contributed to revitalising the economic movement and increasing cash flow.

Inma Fund, which aims to achieve sustainable development, implements international standards, and is aligned with the standards of the Central Bank of Oman (CBO) and the Capital Market Authority (CMA).

Meanwhile, the Authority for Small and Medium Enterprises (ASMED) has launched its first edition of “Guide for Small and Medium Enterprises and Start-ups”.

The step seeks to market SMEs and introduce them to different government and private establishments, segments of society, and investors.

## **PHARMA BOOST FOR OMAN**

Oman took a major step in boosting self-sufficiency in pharmaceuticals with the opening of the [Philex Pharmaceuticals](#) manufacturing factory in Salalah Free Zone.

The generic drug manufacturer is an important contributor to securing the Omani market’s pharmaceutical needs in the first place. But it also seeks to export its locally manufactured products to the GCC and other Arab countries, as well as the African market shortly.

The project will proceed along three phases, including establishing an advanced pharmaceutical manufacturing plant and a research and development centre. Philex Pharmaceuticals plans to produce more than 100 pharmaceuticals in the first phase, including various types of medicines and vaccines in the next stages with a production capacity of one billion tablets and one billion capsules annually for the first stage.

Salalah Free Zone is emerging as a pharmaceutical and biological industries hub with investments of about USD 150 million.

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