

Introduction

Oman is a country in Southwest Asia on the coast of the Arabian Sea, Gulf of Oman, and the Persian Gulf. Neighboring countries include Saudi Arabia, United Arab Emirates, and Yemen. Oman has a strategic location on the Arabian Peninsula adjacent to the Strait of Hormuz, a vital transit point for crude oil. The geography of Oman is mountainous and arid. The government system is a monarchy; the chief of state and head of government is the sultan and prime minister. Oman is a member of the League of Arab States (Arab League) and the Gulf Cooperation Council (GCC).



Location: Western Asia

Capital City: Muscat (+4 GMT)

Chief of State: Sultan and Prime Minister Qaboos bin Said Al Said

Head of Govt.: Sultan and Prime Minister Qaboos bin Said Al Said

Currency: Omani rial (OMR)

Major Languages: <p>Arabic (official), English, Baluchi, Urdu, Indian dialects</p>

Primary Religions: <p>Muslim (official; majority are Ibadhi, lesser numbers of Sunni and Shia) 85.9%, Christian 6.5%, Hindu 5.5%, Buddhist 0.8%, Jewish <.1, other 1%, unaffiliated 0.2%</p>

Calling Code: 968

Voltage: 240

Key Websites

Main Government Page: oman.om

Commerce Ministry: moci.gov.om

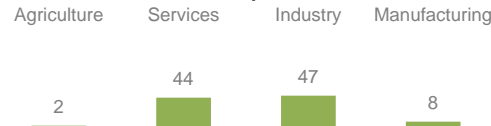
Export Promotion Agency: ithraa.om

Investment Promotion Agency: ithraa.om

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$193.22 billion (2017)
GDP growth (annual %):	-0.27% (2017)
GDP per capita, PPP (current international \$):	\$41,675.34 (2017)
Manufacturing, value added (% of GDP):	8.40% (2016)
Current account balance (BoP, current US\$):	-\$12.32 billion (2016)
Inflation, consumer prices (annual %):	1.60% (2017)
Labor force, total:	2,544,115 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	3.25% (2017)
Imports of goods and services (current US\$):	\$23.78 billion (2016)
Exports of goods and services (current US\$):	\$27.55 billion (2016)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	68 / 178
Global Competitiveness Index	47 / 139
Global Enabling Trade Index	46 / 136
Index of Economic Freedom	88 / 179
International Logistics Performance Index (LPI)	43 / 160
Inward FDI Potential Index	51 / 139
KOF Index of Globalization	69 / 185
Networked Readiness Index (NRI)	52 / 139

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

Strengths

- Strategic location on the Strait of Hormuz
- Increasingly diversified economy (petrochemicals, port operations, tourism)
- Solid banking system and openness to foreign investments
- Significant tourism potential

Weaknesses

- Exposure to oil price fluctuations; production cutbacks
- Shortages of qualified local labor, leading to 20% youth unemployment and reliance on imported external expertise
- Ongoing uncertainties around succession to Sultan Qaboos
- Income inequalities exacerbated by cuts to social subsidies

U.S. Embassy

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