

Business and Economic Consulting

Oman Vision 2040

The Narrative

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OER Business Summit Dec 16th, 2020



A Competitive Economy

"Productive and diversified; based on innovation, integration of roles and equal opportunities; driven by the private sector, and achieving comprehensive and sustainable development "

2020-2021

Launch of Strategic Economic Reforms

2030

Mid-term Alignment to Vision Objectives

2040

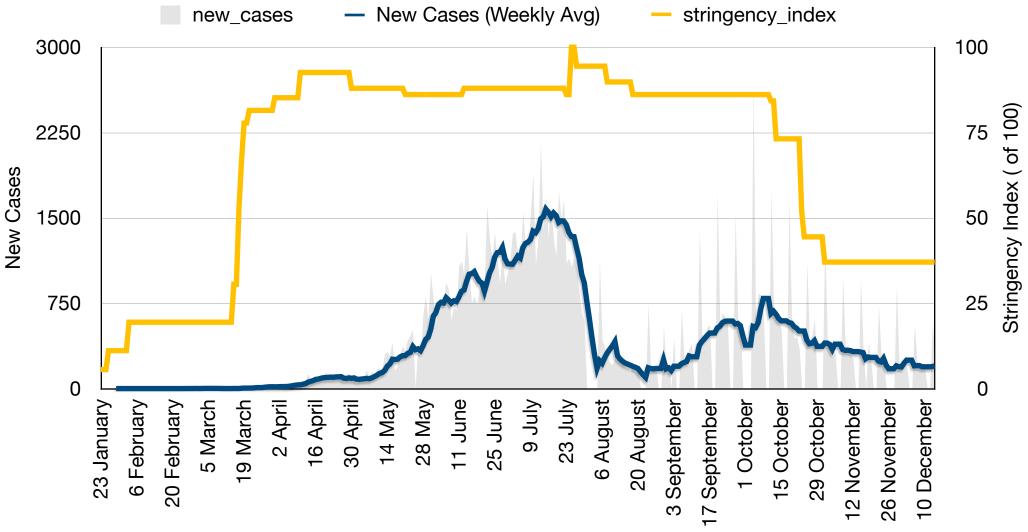
Achieve the Maximum Potential of Oman Vision 2040 Objectives

Oman Vision 2040 Document



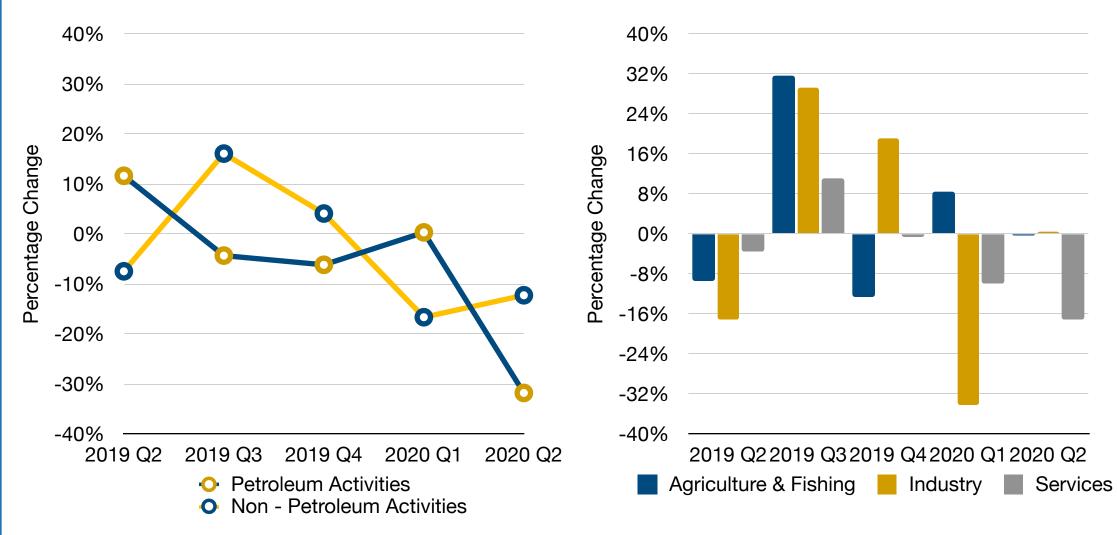
2022 2023 2024 2025

Covid Cases



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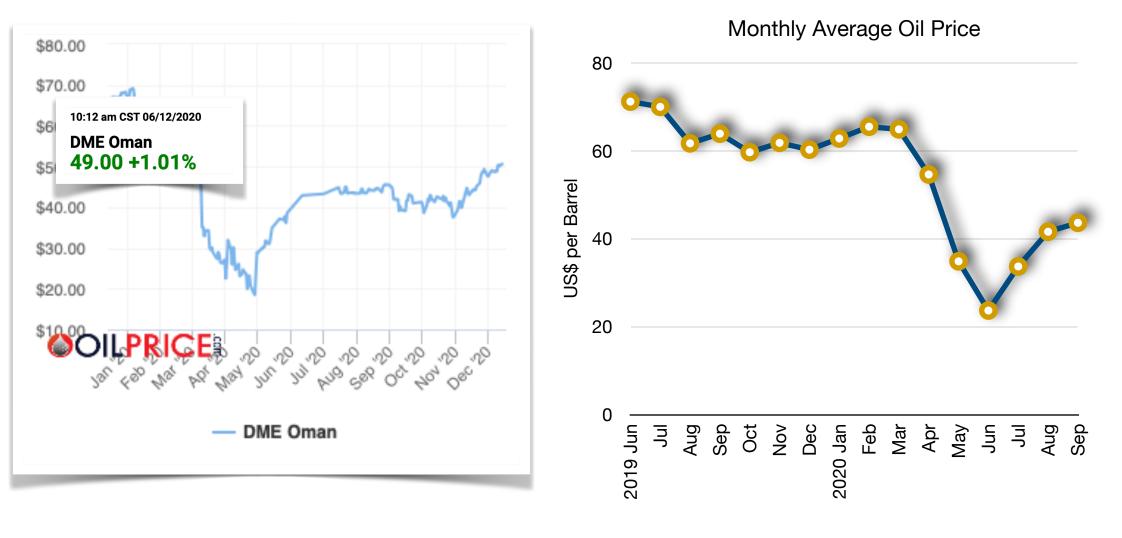
Recent Economic Activity





TheFirm.om

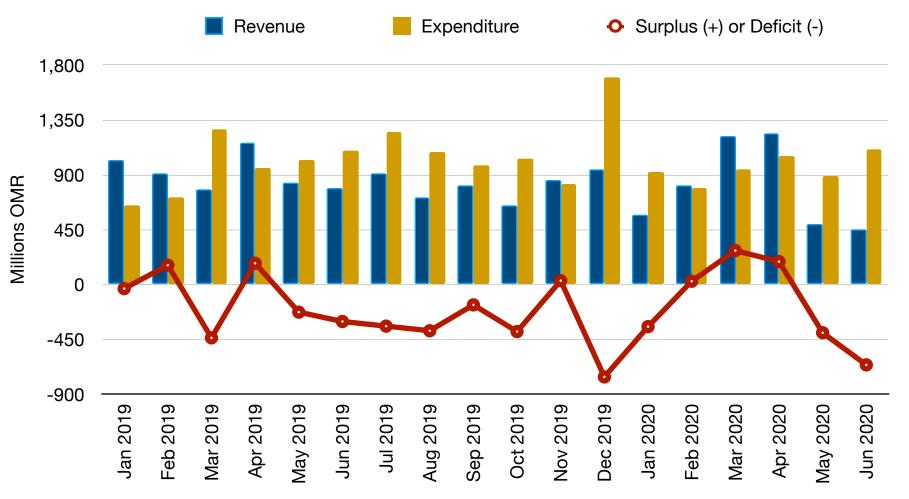
Oil Prices



Source: OilPrice.com

Source: NCSI

Public Expenditure







Oman 2040

Creating Wealth through Economic Diversification and Private Sector Partnership

ECONOMY AND

DEVELOPMENT

PILLARS

Ensuring Balanced Governorates Development

Preserving Environment Sustainability Building World-class Infrastructure and Liveable Cities

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Source:Oman Vision 2040 Document



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Source:Oman Vision 2040 Document





Government Effectiveness, World Governance Indicators





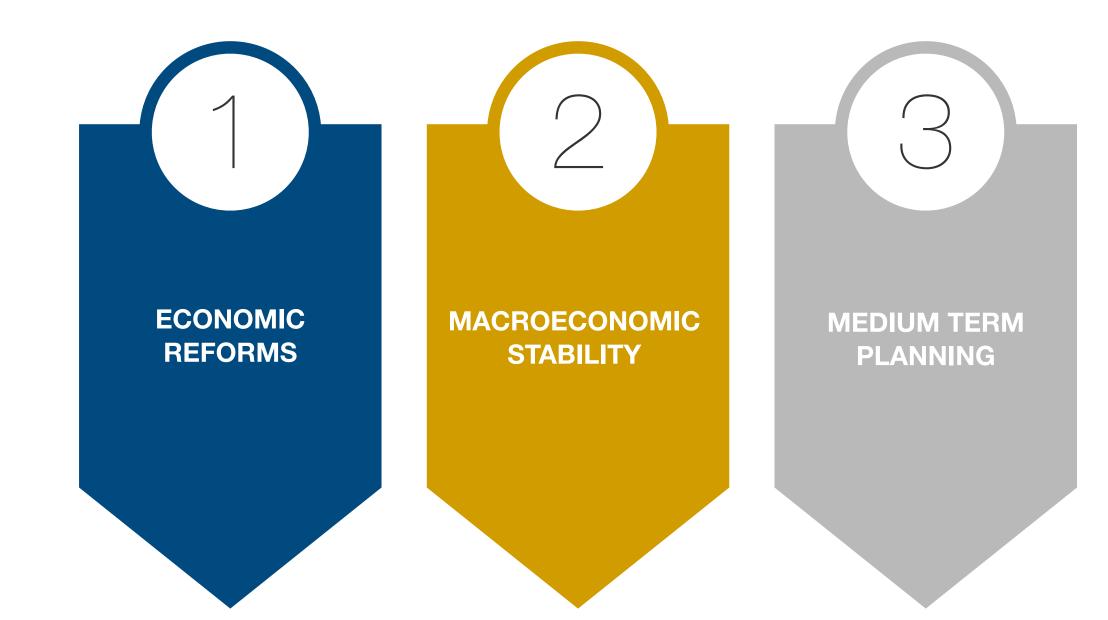
Source:Oman Vision 2040 Document



Navigating Towards 2040

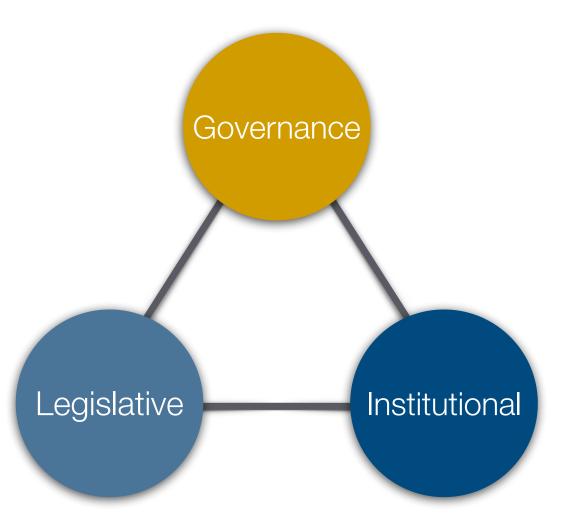






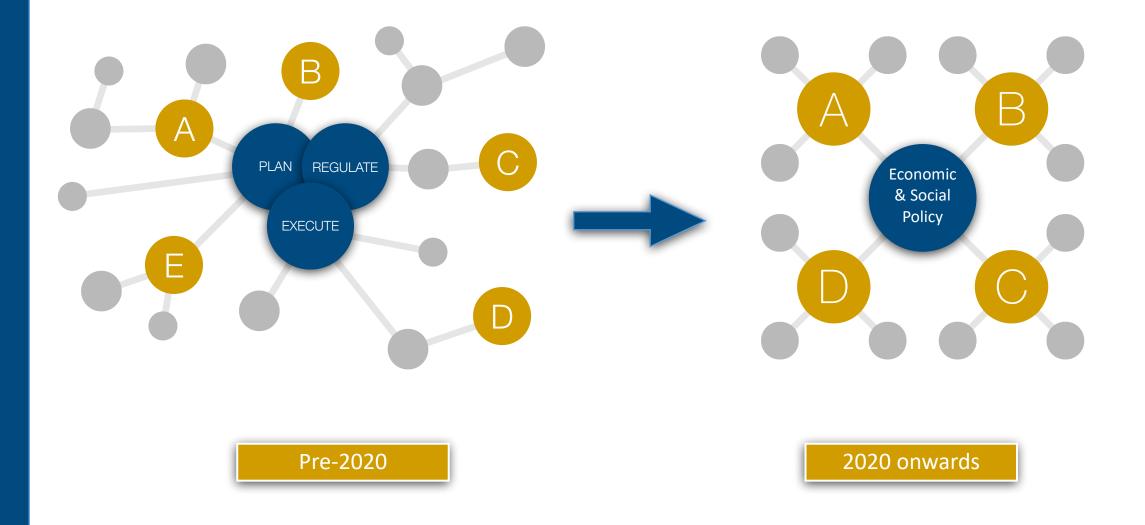


Economic Reforms





Redefining Roles





Oman's Fiscal Consolidation Program 2020-2024





Key Elements in the Program

ECONOMIC GROWTH

Improve the business environment

Stimulate domestic and foreign investments REVENUE DIVERSIFICATION

Enhance returns of government investments

> Improve tax collection efficiency

> > VAT

Personal Income Tax on high incomes EFFICIENCY Strategic unified public procurement

SPENDING

Improve efficiency of operational and investment spending

Reform and target subsides

ADMINISTRATION EFFICACY

New public finance system

Specialized public debt and macro economic units

Unified treasury system

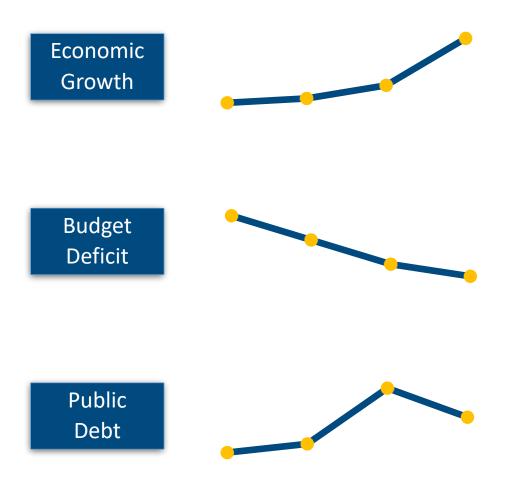
National Assets Registrar

SOCIAL SECURITY

Job Security Fund

Other developments inline with the Fiscal Consolidation program





Economic growth in the medium term is still dependent on **government spending**. Economic **diversification** is below the required critical mass.

Budget deficit projections are very sensitive to **oil prices**, **spending control**, and the **tax collection efficiency**.

Pubic debt management is the most critical component. Improving credit ratings and diversifying debt structure are pertinent.

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Downside Risks



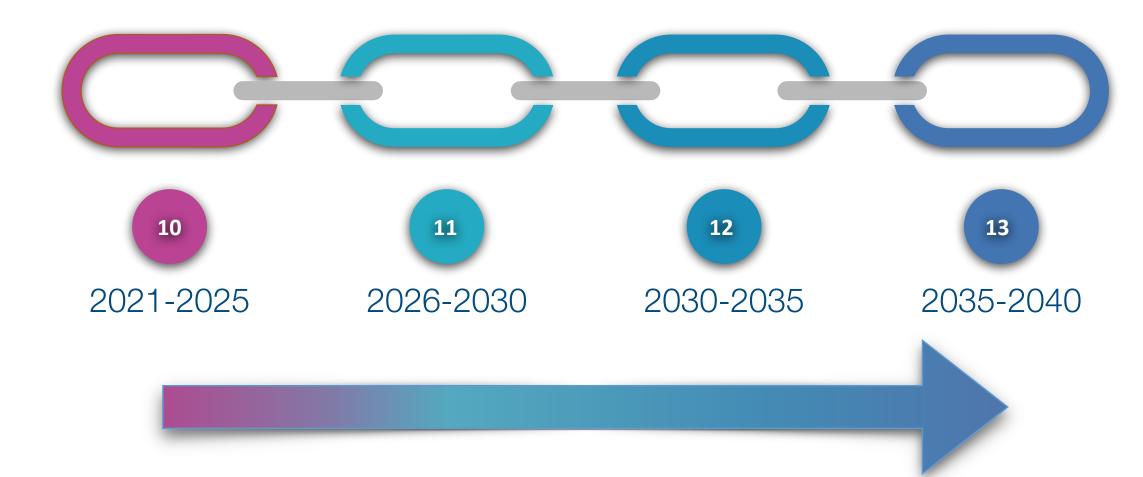
The Fiscal Consolidation Program is susceptible to the effects of a prolonged COVID-19 pandemic. Without **effective vaccine dissemination** and **containment** measures, **lockdowns** and **precautions** measures will weigh heavily on demand for energy, **oil prices**, and economic activity.

The program will need to be **correlated** with **effective** and **synchronized macroeconomic policies**. **Economic stimulus** and **fiscal consolidation** will antagonize the projected outcomes. Without synchronized macroeconomic policies there is a risk that fiscal consolidation will fall short of its targets.

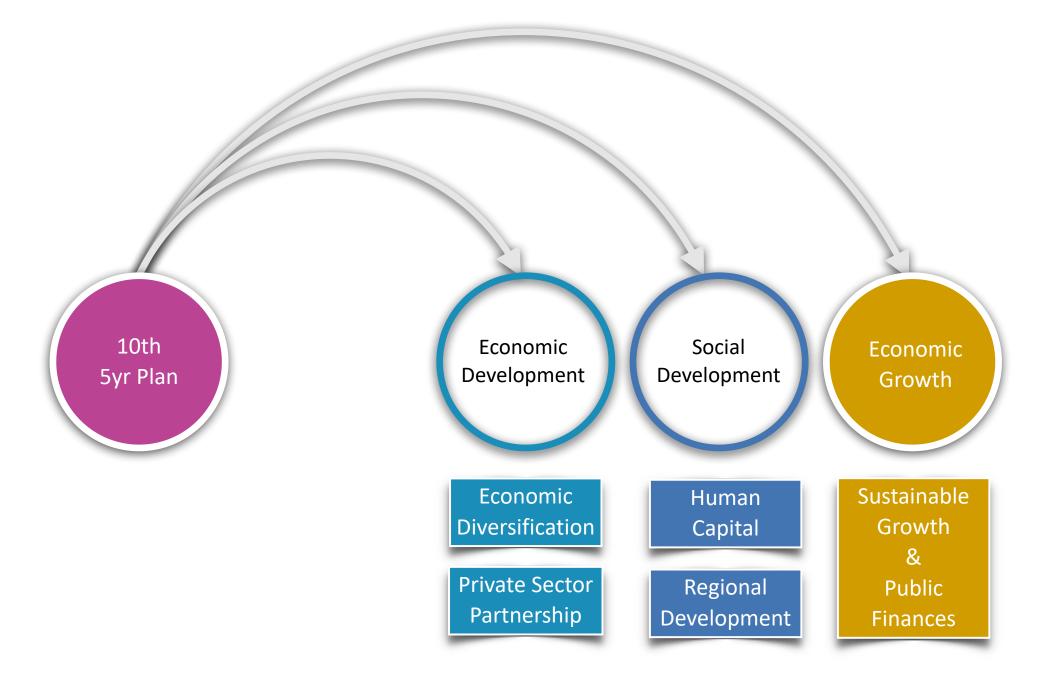


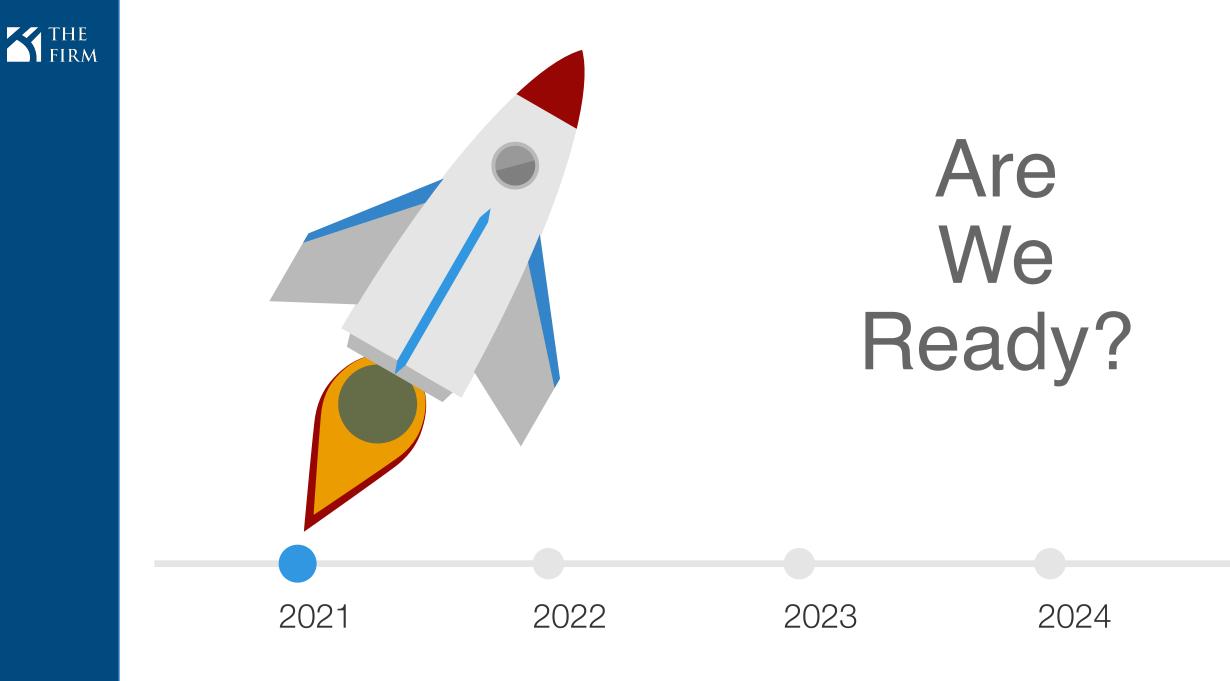


10th 5-Year Plan











The Road Ahead 2021 and Beyond



Climate Change



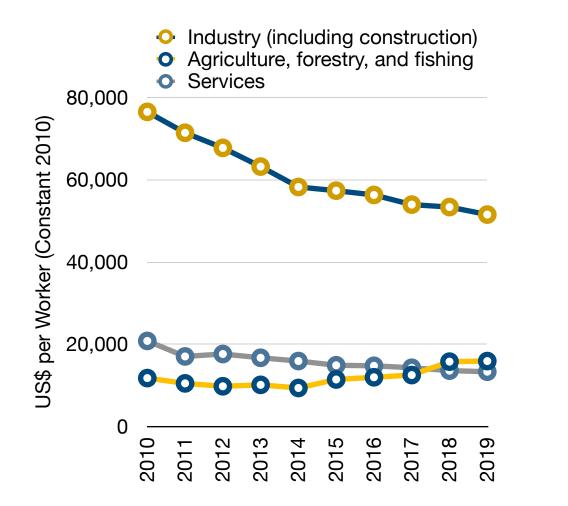
Innovation

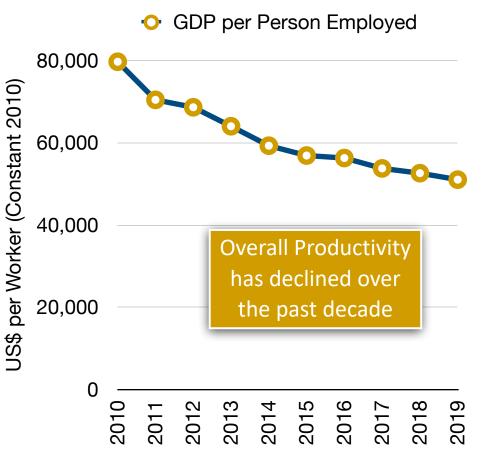




Digitization

Productivity



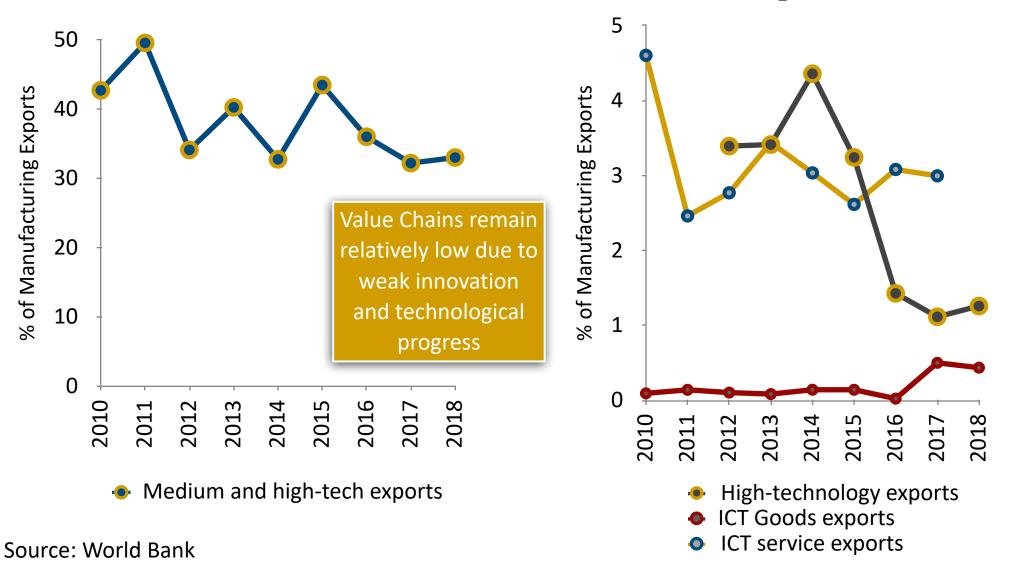


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Medium and Hi-Tech Exports





Human Capital & Research	43
Infrastructure	56
Institutions	70
Creative Outputs	94
Business Sophistication	95
Market Sophistication	104
Knowledge & Tech Output	124

Global Innovation Index









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