



Why Invest in Oman

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H.E. Khalid Al-Muslahi was born in Ibra, Oman in 1967, and earned his B.A. in Economics from Nottingham Trent University in the United Kingdom in 1992. After entering the Foreign Ministry in 1993, he has worked in the office of the Foreign Minister and the office of the Secretary General of the Foreign Ministry, and as Deputy Head of Mission in London. H.E. has been serving as the Ambassador of the Sultanate of Oman to Japan since February 2008. Married and has 3 children.
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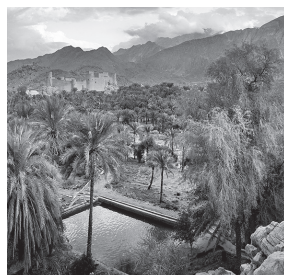
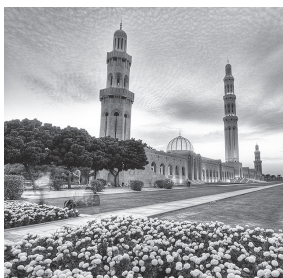
H.E. Prime Minister Shinzo Abe visited the Sultanate of Oman in January 2014 and met with His Majesty Sultan Qaboos bin Said. The two leaders expressed their satisfaction with the growing bilateral relations, as well as the intent to further strengthen partnership and cooperation between the two countries on all levels and fields. A joint communiqué between Japan and Oman on strengthening of the Comprehensive Partnership towards Stability and Prosperity was issued following Prime Minister Abe’s historic visit and it covered cooperation in the political, security, economic, education and cultural fields.

With nearly 400 years of friendly contacts, the historical relations between the Sultanate of Oman and

Japan were founded on mutual respect, and since the official establishment of the diplomatic relations in 1972, we have shared reciprocal trust and friendship, political and diplomatic cooperation for more than 40 years.

Our interaction and cooperation have been growing rapidly on various levels, particularly in trade and investment that have been the backbone of a long and fruitful relationship that continues to prosper and grow. Japan was one of the first countries to receive Omani crude oil, and the export of this product and LNG as well as other hydrocarbon sources has increased over the years, making Japan one of the most important markets for Oman’s exports.

Oman is ranked among Japan’s top trading partners with the Middle East region and is the third biggest market for Japanese exports. Japan, on the other hand, is one of Oman’s top trading partners, and the bilateral trade between the two nations has been expanding over the years.



The Sultanate of Oman is located in southwest Asia on the southern coast of the Arabian Peninsula. Comprising approximately 310,000 square kilometers of varied, striking terrain, it is the third largest country in the Arabian Peninsula. The country ranges from the fjord-like majesty of the Musandam Peninsula, to the fertile Batinah plain that inclines southwest towards Muscat, from the vast sandy edge of the Rub al-Khali (The Empty Quarter) through the mountains to the lush, monsoon-heavy Salalah plain in the south.

The inhabitants of Oman have long prospered on Indian Ocean trade. Sending dhows from its port at Sohar to trade with merchants in far flung destinations, this former ancient capital of Oman was at the time, one of the largest and most important cities in the Arab world. Historical documents have reinforced this notion, revealing extensive trading ties with China, India, and Mesopotamia, as well as the Eastern Mediterranean, the Nile Valley, and North Africa.

Photo upper left: Grand Mosque
Photo lower right: Nakhal Fort, North of Oman

For Japan, Oman has always been a reliable and stable source of energy suppliers. Oman is among the 10 largest crude oil and LNG suppliers to Japan, and although oil and gas represent 99% of Japan's total imports from Oman, imports of fisheries and agriculture products from Oman to Japan is also significant. Out of Japan's total imports of those products from the Middle East and North Africa, Oman is third for fisheries and fourth in agricultural products.

Oman is also a major importer of Japanese automobiles, machinery, chemicals, and appliances among other products. A number of Japanese corporations are engaged in important projects in Oman in the fields of oil and gas, electricity generation, water desalination and in shipping. This vast trade and investment relationship makes Japan an important partner to Oman.

One of the areas this economic diversification will be exemplified is in various developmental projects in Oman, and in technology transfer and human resources development. Cooperation with Japanese industries is set to become a major aspect of this new area of economic relations between our two countries.

Finance is another area of potential, as Japanese investments and financing in Omani projects continue to expand and provide mutual benefits. To create a more conducive environment for such activities, the Japan-Oman Agreement on Avoidance of Double Taxation was signed in January 2014, and we are very close to the signing of the bilateral Agreement for the protection and promotion of investment. Furthermore, a Free Trade Agreement between the Gulf Cooperation Council (GCC) and Japan is under negotiations.

Oman is a sophisticated modern state that invites investment and encourages entrepreneurship. The government has consciously fostered the country's growth while preserving its culture and heritage. The Basic Law of the Sultanate of Oman establishes the national economy on the principles of justice and free market, and is investing billions of dollars in growing the country's business base. Through significant investment in the provision of transport and communications channels, commercial property and ensuring easy access to both domestic and international markets, Oman continues to attract new businesses operating in a variety of sectors.

Oman offers an ideal investment environment with its strategic location and its access to the markets in the Middle East, Europe, the United States, and Asian and African markets. Oman also ensures political and economic stability, a full



H.M. Sultan Qaboos confers the Omani Civil Order "Second Class" on Prime Minister Shinzo Abe at the Baraka Palace in Muscat on Jan 9, 2014, during his visit to Oman.

convertible stable currency, free repatriation of capital and profits, no personal income tax, free trade and open market policies. Also, Oman has committed policy of privatization and close relations between public and private sectors.

Furthermore, Oman offers excellent financial services and financial assistance to investors, such as a wide range of credit facilities and financial services that are provided to investors through our strong financial sector. Oman Development Bank provides government funding to help develop the economy and offers soft loans to industry and the service sector. Muscat Securities Market is Oman's well established and regulated stock market and a potential source of new capital for the private sector.

INVEST IN OMAN

Key incentives

- Custom Duty Exemption on import of plant equipment
- Relief from custom duty on raw materials
- Fully serviced land in industrial estates
- Corporate tax holiday of up to 10 years
- Export credit insurance through the export Guarantee and Financing Agency

Foreign Capital Investment Law

- 70% automatic foreign ownership
- 100% ownership for specific projects
- Tax parity and exemptions

More information on investment

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