



OMAN

Economic overview

Oman is located in West Asia, with its borders spanning the Arabian Sea, Gulf of Oman, and Persian Gulf. Oman shares land borders with Yemen and the UAE. It has an area of 309,500 square kilometres and a population of 4.9 million. Oman is strategically situated near the primary shipping lanes of the northern Indian Ocean, which provides convenient access to key markets in the Middle East, South Asia and Africa. Although its economy was historically rooted in agriculture and fisheries trade, the hydrocarbon and oil sector have become the dominant force and contribute nearly 75% of the government revenue.

As of October 17, 2023, S&P's rating for Oman is BB+ (Stable); Moody's rating stands at Ba2 (Positive); and Fitch has a reported rating of BB (Stable).

As a part of the Gulf Cooperation Council (GCC), Oman enjoys duty-free access to Bahrain, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates. Additionally, Oman also has trade pacts with various partner countries including EFTA countries, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Singapore, Sudan, Syria, Tunisia, and Yemen due to its accession into the GCC. Oman also has a separate trade agreement with the United States of America.



| Economic indicators | | 2020 | 2021 | 2022 |
|---------------------------|-------------|--------|--------|--------|
| Nominal GDP | USD Billion | 75.9 | 88.2 | 114.7 |
| Nominal GDP per capita | USD | 17,076 | 19,479 | 23,240 |
| Real GDP growth | % | -3.4 | 3.1 | 4.3 |
| Total population | Million | 4.4 | 4.5 | 4.9 |
| Average inflation | % | -0.9 | 1.5 | 2.8 |
| Total merchandise exports | USD Billion | 33.5 | 44.6 | 65.8 |
| Total merchandise imports | USD Billion | 28.5 | 31.0 | 38.7 |

Source: IMF, TradeMap

Trade overview

The economic and commercial ties between India and Oman are strong, with India ranking among Oman's top trading partners. India and Oman engaged in bilateral trade worth USD 13.4 billion in 2022. During the year, India's exports to Oman were valued at USD 4.7 billion while India's imports from Oman were valued at USD 8.7 billion.

The major items of export (2-digit HS) from India to Oman are mineral fuels and oils (USD 2,288 million), ships, boats and floating structures such as dredgers (USD 307 million), iron and steel (USD 247 million), inorganic chemicals (USD 197 million) and basmati rice (USD 196 million). Likewise, major items of export (2-digit HS) from Oman to India are petroleum crude oil (USD 5,441 million), and fertilisers (USD 1,263 million).

For products that come under the purview of PLEXCONCIL, the trade is in favour of Oman with exports of USD 328 million to India and India's export to Oman is valued at USD 88 million. The major items of export to Oman being:

- Plastic pipes & fittings (35.7%),
- FIBC, Woven sacks, Woven fabrics, Tarpaulin (12.2%), and



- Cordage, fishnets & monofilaments (11.2%).

Oman's annual plastics imports are valued at around USD 1.1-1.2 billion approx. Its plastic imports are largely catered to, by United Arab Emirates (49.3%), Saudi Arabia (13.3%) and China (10.4%). India has a substantial market share in Oman's plastic import and maintains a strong position in the following plastic product categories:

- FIBC, woven sacks, woven fabrics & tarpaulins – Market share of 32.2%,
- Cordage, fishnets & monofilaments – Market share of 15.9%, and
- Plastic pipes and fittings- Market Share of 12.3%.

Export potential for India

Based on our internal research, India's export of PLEXCONCIL member products to Oman has the potential to grow by USD 1,035 million. Details of product panels and their export potential to Oman is provided below:

| Product panel | Oman's import from India | Oman's import from world | India's export to world | Export potential for India |
|---|--------------------------|--------------------------|-------------------------|----------------------------|
| | USD Million | USD Million | USD Million | USD Million |
| Plastic raw materials | 20.4 | 480.8 | 3,995.9 | 427.4 |
| Consumer & houseware products | 4.6 | 199.9 | 1,460.6 | 183.3 |
| Plastic films and sheets | 5.7 | 126.4 | 1,905.1 | 115.8 |
| Packaging items - flexible, rigid | 2.6 | 110.1 | 595.8 | 101.9 |
| Medical items of plastics | 4.3 | 63.2 | 891.5 | 58.9 |
| Plastic pipes & fittings | 7.5 | 40.7 | 266.3 | 33.2 |
| Floorcoverings, leathercloth & laminates | 2.8 | 26.1 | 770.2 | 23.1 |
| FIBC, Woven sacks, Woven fabrics, Tarpaulin | 15.9 | 35.3 | 1,682.4 | 17.9 |
| Cordage, fishnets & monofilaments | 8.1 | 23.5 | 262.5 | 10.4 |

Source: TradeMap, Plexconcil Research