

Mining market in Oman

Strategically located in proximity to Asia, Africa and the Middle East markets, Oman is emerging as a hub for industrial minerals with 37 mining sites covering a geographical area of 2,000 km². Oman is known to have between 31 and 35 minerals available, of which only 11 are mined; the remaining minerals have yet to be unearthed. Furthermore, a royal decree in August 2020 ordered the Ministry of Energy and Minerals to increase transparency and competitiveness in Oman's mining sector, which has become a sector of focus for the country.

Industry highlights	
Open Export Development Canada's position	Gypsum, chromite, and copper lead Oman's mining sector
70 World Bank Ease of Doing Business score	

Key opportunities for Canadian mining suppliers

The paramount player in Oman's mining industry is Minerals Development Oman (MDO), a state-owned partnership between four Omani sovereign wealth funds and government investment entities. MDO has received multiple mining licences in the country and is investing heavily in prospective mineral projects.

Mineral exploration

MDO requires exploration expertise for geophysical surveys to further expand their exploration program.

Other services required

- Mineral processing services (smelting, conveying and material handling)
- Innovation in mining equipment
- Public-private partnerships to build chemical testing labs in Oman
- Technical training
- MDO expressed interest in partnering with Canadian companies able to provide knowhow and innovative technologies in copper, chrome and dolomite processing
- MDO aims to develop the mining sector and bring foreign partners in on upstream and downstream activities

Notable challenges for Canadian mining suppliers in Oman

- Complex regulations
- Delays in issuing mining licences and permits
- Recent doubling of the royalty rate from 5% to 10%
- Lack of skilled workers
- Strong competition from Australia and United Kingdom

Oman business landscape

- A local presence in the market is crucial for doing business in Oman. Canadian mining suppliers, therefore, should enter the market as service contractors or joint venture partners with Omani firms.
- On January 1, 2020, the new Foreign Capital Investment Law (FCIL) came into effect. The FCIL has:
 - significantly relaxed the rules and restrictions on foreign investment
 - streamlined the registration and licensing procedures for foreign investors
 - aligned foreign investors' rights and incentives with those given to local investors
- One of the biggest changes brought by the new law is to allow 100% foreign ownership in several sectors, including mining.

Request a meeting

To learn more about the mining industry in Oman, please request an in-person meeting with a Trade Commissioner on the Business-to-Trade Commissioner scheduling platform ahead of PDAC 2022. <https://go.b2b-2go.com/en/canadapdac-2022/>