



OMAN'S 11TH FIVE-YEAR DEVELOPMENT PLAN 2026-2030

From Stabilization to Diversified Growth

Oman's 11th Five-Year Development Plan 2026–2030 marks a new implementation phase in the country's long-term development journey, serving as the **second executive roadmap under Oman Vision 2040** after the 10th Five-Year Plan, which covered the 2021–2025 period. The plan was formally adopted through **Royal Decree 1/2026**, which approved the plan's objectives and required its implementation in line with the approved economic and financial framework.

The 10th Five-Year Plan was largely focused on restoring economic stability, addressing fiscal pressures, and supporting recovery after a period shaped by oil price volatility and the pandemic's economic effects.

Oman's Ministry of Foreign Affairs describes the 11th Plan as a bridge from economic recovery toward a phase of **growth and expansion**.

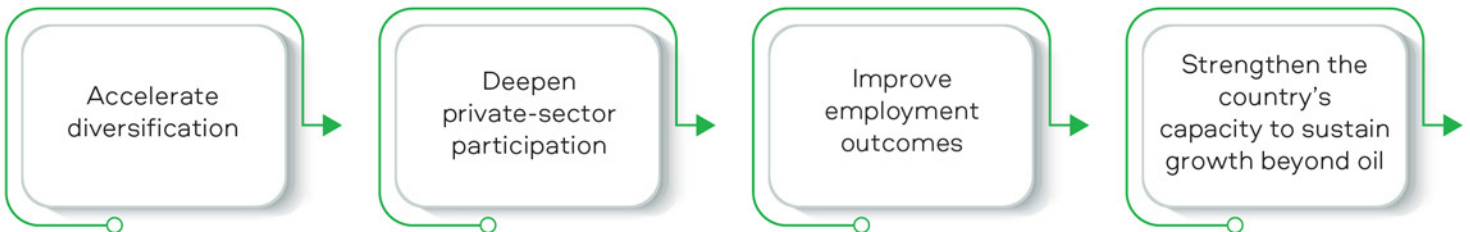
Supported by clearer legislative and regulatory frameworks. This makes the new plan less of a standalone policy document and more of a continuation of Oman's effort to convert Vision 2040 into measurable economic and institutional outcomes.

The plan also builds on the reported achievements of the previous planning cycle. According to the Ministry of Foreign Affairs, Oman's 10th Five-Year Plan achieved a **97% implementation rate**¹, with **398 out of 411 strategic programs completed**, giving the government a stronger base from which to move into the 2026–2030 cycle. This creates a different strategic context for the 11th Plan. The priority is no longer only to stabilize the economy, but to:

Oman's 10th Five-Year Plan achieved a

97%

implementation rate



At the heart of the plan is a dual objective: **maintaining fiscal discipline while expanding the engines of non-oil growth**. The plan targets real GDP growth while emphasizing economic diversification, fiscal sustainability, competitiveness, and the gradual transition toward a low-carbon economy. It also identifies manufacturing, tourism, and the digital economy as core growth sectors, supported by enabling sectors such as mining, food security, renewable energy, transport and logistics, education, and health.

This gives the 11th Plan a practical significance beyond macroeconomic planning. It sets the direction for where investment is expected to flow, which sectors are expected to generate growth, how employment opportunities will be created for Omanis, and how the government intends to monitor implementation.

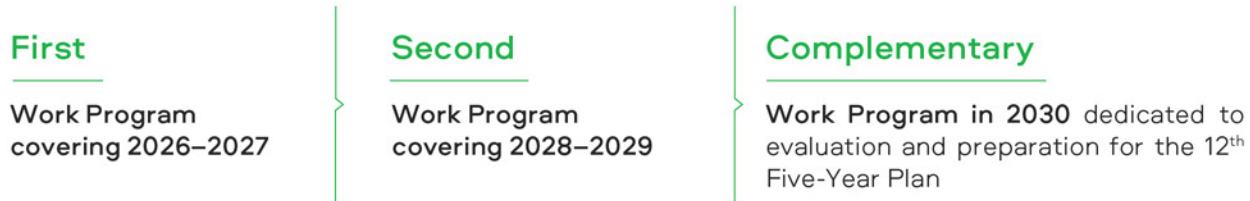


¹ Oman launches five-year Development Plan - Foreign Ministry of Oman

THE STRUCTURE OF THE PLAN

A Phased Roadmap Linked to Vision 2040

The 11th Five-Year Development Plan is structured as a phased roadmap. Its implementation timeline is divided into three stages:



This phased structure gives the plan a more adaptive implementation logic, allowing Oman to **review progress, recalibrate priorities, and prepare the next development cycle** based on actual performance.

The plan is also organized around two main pathways:

Economic Pathway

Designed to support sustainable diversification, strengthen national export capacity, address economic challenges, and generate employment opportunities.

Developmental Pathway

Focuses on infrastructure, wider development needs, balanced social and environmental progress, and the improvement of household income in line with Oman Vision 2040.

This dual-pathway structure shows that Oman is not treating economic diversification as a purely sectoral agenda. Instead, **the plan links growth with broader development outcomes**, including infrastructure, social progress, environmental sustainability, and household welfare.



The **Ministry of Foreign Affairs** notes that the plan's strategic objectives include:

- Building a diversified and sustainable economy
- Supporting the gradual transition to a low-carbon model
- Enhancing environmental sustainability
- Promoting economic decentralization across governorates
- Advancing sustainable social development
- Strengthening governance and institutional performance
- Raising labor market efficiency

The plan is further translated into:



These programs were issued by the **Ministry of Economy** as a **Strategic Programs Volume** for the 11th Plan, providing a detailed roadmap for implementing national priorities under Oman Vision 2040.

The strategic programs are designed to function as a central reference for government entities and stakeholders. It sets out **program objectives, implementation mechanisms, timelines, and the roles of executing and supporting entities**, while aiming to strengthen **planning efficiency, coordination, and clarity in delivering development outcomes**. Each program is also linked to performance indicators to support monitoring, evaluation, and continuous improvement.

The governance provisions in **Royal Decree 1/2026** reinforce this execution-oriented structure. The decree requires all units of the state administrative apparatus and other public legal people to implement the plan, while assigning the Ministry of Economy responsibility for issuing the Strategic Programs Volume during the first quarter of 2026, as well as following up on implementation and conducting periodic evaluations in light of local, regional, and global variables. It also states that projects under the plan will be determined at the beginning of each year in coordination between the Ministry of Economy and relevant entities. Within this structure, the **National Foresight Office**, operating under the Ministry of Economy, plays a supporting role in the plan's implementation and monitoring framework.

The Office contributes to periodic evaluations by bringing a longer-term foresight perspective to the assessment of progress, helping the Ministry identify emerging trends, risks, and structural shifts that may affect the plan's delivery and the broader trajectory of Oman Vision 2040.

This annual project-selection mechanism gives the plan a more dynamic implementation model. Instead of locking all initiatives at the start of the five-year period, the structure allows the government to **identify projects annually, coordinate with relevant entities, and adjust implementation**.



II. THE ECONOMIC AMBITION

A. Growth, Investment, and Private-Sector Expansion

The economic ambition of Oman's 11th Five-Year Development Plan is built around a clear shift from recovery-led growth toward an **investment-driven and private-sector-enabled development model**.

During the 2026–2030 period, the plan targets **GDP growth of 4.6% at current prices and 4% at constant prices**, alongside an **investment-to-GDP ratio of 28%** and an **inflation ceiling of 2%²**. These targets indicate that Oman is aiming to maintain macroeconomic stability while expanding the investment base required to accelerate diversification and raise productivity across non-oil sectors.

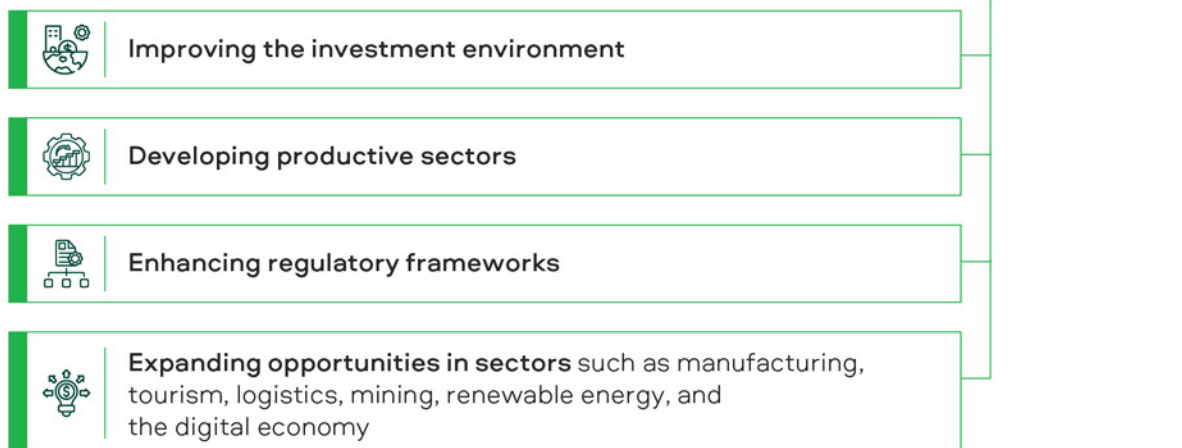


A central feature of this economic model is the planned increase in private-sector contribution. The 11th Plan aims to raise the private sector's contribution to GDP to **56%**, while also targeting **private investment equivalent to 21% of GDP²**. This makes the private sector a core execution partner in Oman's next development phase, rather than a supporting actor operating at the margins of public-sector-led growth. The plan's emphasis on private-sector expansion is also directly aligned with **Oman Vision 2040's** broader objective of transforming the national economy from oil-dependent toward a more diversified and sustainable economic model.

Foreign investment is another major pillar of the plan's economic ambition.

The 11th Plan targets **foreign direct investment inflows equivalent to 11% of GDP²**, positioning FDI as an important source of capital, technology, market access, and private-sector dynamism.

This target is particularly important because the plan does not treat diversification as a purely domestic investment challenge, it seeks to strengthen Oman's attractiveness to international investors by:



The plan also sets out an additional investment requirement of around **OMR 15.6 billion** during 2026–2030, directed toward key economic and social sectors to accelerate growth and support the achievement of national development targets. The investment requirement therefore reflects the scale of resources needed to move Oman from policy direction to actual implementation.



The investment-led logic of the plan can be seen in platforms such as the **Duqm Special Economic Zone**, a **2,000 sq km zone** positioned for industrial, logistics, trade, tourism, and real estate activity, supported by its location on the Arabian Sea and proximity to global shipping lanes.

Non-oil activities are expected to be the main driver of Oman's economic trajectory during the 11th Plan period. The plan targets **4% growth in non-oil activities at constant prices**, compared with **2.6% growth in oil activities²**, highlighting the intended rebalancing of the economy away from hydrocarbons.



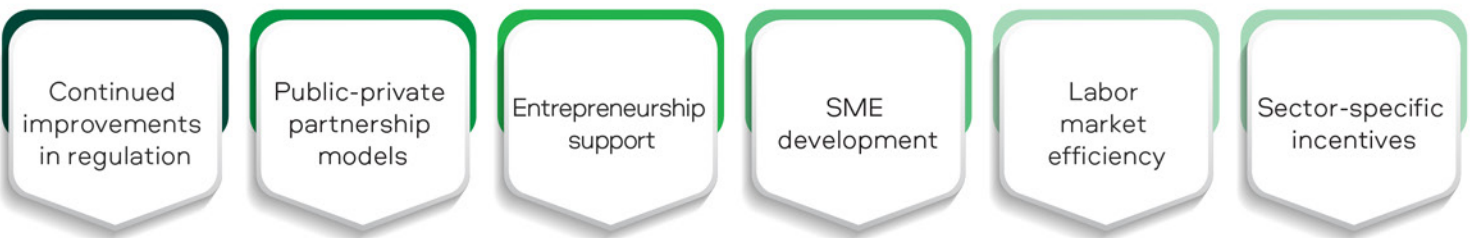
Oman's green hydrogen strategy is one of the clearest examples of how the low-carbon transition is being turned into an economic opportunity. **Hydrom's** strategy states that Oman is targeting up to **1.5 million tons per annum** of green hydrogen production by 2030, supported by **34.8 GW** of renewable capacity and around **US\$49 billion** in investment.

This does not mean that oil becomes irrelevant to Oman's economic model.

The country is trying to use fiscal stability and hydrocarbon revenues as a platform to expand higher-potential sectors that can sustain growth over the long term.

The plan's focus on export-oriented industries, green economy transition, private-sector expansion, and non-oil sector development further reinforces this diversification direction.

The plan's private-sector ambition also carries important implications for public policy. Achieving it will require more than private investment alone; it will depend on:

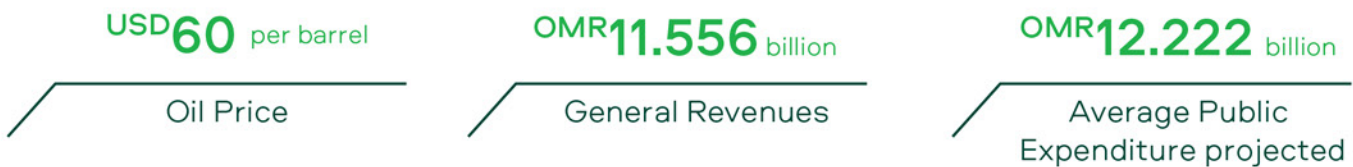


This economic ambition is linked to Oman's efforts to strengthen resilience against external shocks. By **expanding non-oil growth, raising private-sector contribution, attracting FDI, and improving the investment climate**, the plan aims to reduce the economy's exposure to oil-price volatility and build a broader base of productive activity. In this sense, the 11th Plan is not only a growth plan, but also a risk-management tool: it seeks to make Oman's development model less dependent on a single revenue source and more **capable of withstanding global economic fluctuations**.

B. Fiscal Discipline

Funding Transformation Within a Controlled Framework

The financial framework of the 11th Five-Year Development Plan is based on an assumed oil price of **USD 60 per barrel**, with average general revenues projected at around **OMR 11.556 billion** and average public expenditure projected at around **OMR 12.222 billion** over the plan period. This results in an estimated average deficit of approximately **OMR 666 million**, showing that the plan is being designed within a defined fiscal envelope rather than an open-ended public spending model.



Oman's development agenda still needs to balance **two priorities**:

Sustaining Investment
in Transformation

Preserving Fiscal
Sustainability

The Ministry of Foreign Affairs notes that the plan aims to raise the contribution of non-oil revenues to **37.4% of total general revenues by 2030¹**, which directly links fiscal resilience to the diversification agenda.

The plan also sets annual development expenditure at around **OMR 900 million**, with an additional annual allocation of **OMR 400 million** dedicated to economic transformation projects. This indicates that Oman is reserving dedicated funding for transformation while still managing development spending within a structured medium-term framework. At the same time, the plan preserves a social dimension within its fiscal model, with average annual allocations for the social protection system projected at around **OMR 668 million**, showing that the 11th Plan is not only trying to fund growth-oriented projects, but also to maintain social protection as part of the country's broader development framework.



III. PRIORITY SECTORS

Manufacturing, Tourism, and the Digital Economy as Growth Engines

Oman's 11th Five-Year Development Plan identifies **manufacturing industries, tourism, and the digital economy** as the three core sectors expected to lead the country's next phase of economic diversification. The Ministry of Economy selected these sectors because they combine **high growth potential, strong job-creation capacity, and meaningful contribution to GDP**, making them central to the plan's wider objective of building a more diversified and sustainable economy under Oman Vision 2040.



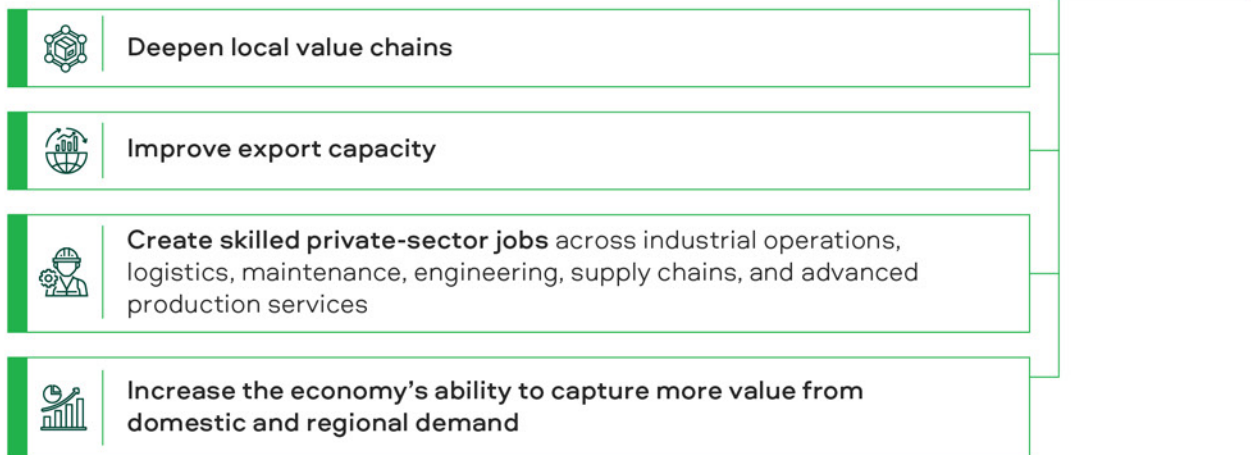
A. Manufacturing

Building Productive Capacity and Higher Value-Added Growth

Manufacturing is positioned as one of the plan's central engines because it can support Oman's transition from resource-dependent growth toward more productive, value-added economic activity. The 11th Plan targets **5.9% growth in manufacturing industries²**, placing the sector above the plan's overall real GDP growth target and signaling its expected role as a driver of non-oil expansion. The plan's focus on manufacturing is also linked to the development of **high value-added industries** and the transition toward **smart manufacturing**.

This makes manufacturing the **productive base of Oman's diversification strategy**.

If the sector grows as planned, it can help:



Duqm Refinery illustrates the type of large-scale production base that can support Oman's wider diversification agenda. The commissioning of Duqm Refinery, alongside enhancements at **Sohar and Mina Al Fahal refineries**, raised Oman's refining capacity to **569,000 barrels per day**, while OQ, Oman's integrated energy group, markets products in more than **80 countries**.



Regional connectivity is also being strengthened through projects such as **Hafeet Rail**, the Oman–UAE railway link connecting the two countries through a strategic transport and logistics corridor. In April 2026, Oman's Ministry of Foreign Affairs reported that the project had reached **40% completion³**, positioning it as one of the region's major joint infrastructure initiatives.

³Oman–UAE railway link 40% complete – Foreign Ministry of Oman



B. Tourism

Moving Toward Higher-Value and More Sustainable Visitor Growth

Tourism is the second core growth sector under the 11th Plan, with a targeted growth rate of **5.7%**². The importance of tourism lies in its ability to convert Oman's natural, cultural, and heritage assets into **a more diversified services economy** across multiple local markets. The sector can support **hospitality, transport, cultural sites, local crafts, destination management, events, and small businesses**, making it especially relevant to the plan's focus on employment and governorate-level development.

The plan also appears to be moving tourism away from volume alone. In discussions on the 11th Plan's priorities, Omani officials highlighted strategies for diversifying the tourism product and transitioning toward **qualitative and sustainable tourism**, while also noting that **luxury tourism** represents one strategic track because of its direct impact on raising average tourist spending and increasing value added to the national economy.

Oman's tourism strategy is therefore not only about attracting more visitors, it is also about increasing the value captured from tourism, improving the quality of tourism products, and linking the sector more directly to national economic outcomes, **provided that growth is managed around value, sustainability, and local participation**.



The Sustainable City Yiti shows how Oman is connecting tourism, real estate, and sustainability.



Omran Group describes the project as a sustainable mixed-use development along the Gulf of Oman, delivered in partnership with **Diamond Developers**.



C. The Digital Economy

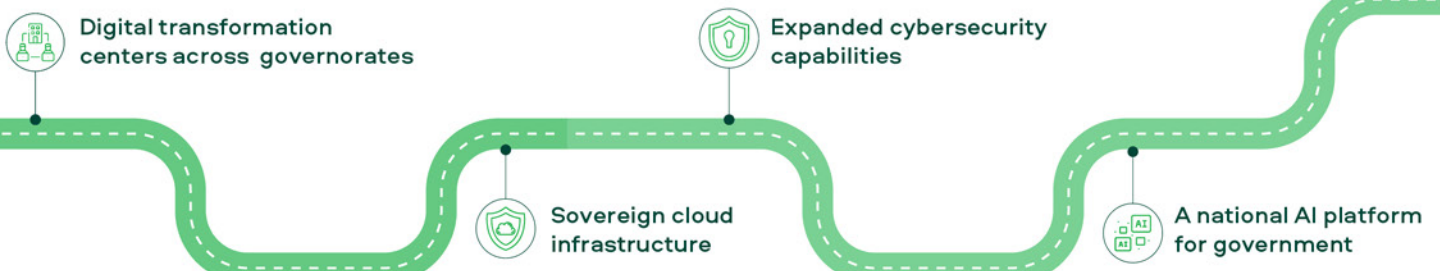
Raising Productivity and Enabling Transformation Across Sectors

The digital economy is the fastest growing of the core sectors in the 11th Plan, with a targeted growth rate of **10.8%**². This makes it both a standalone growth sector and an enabler of transformation across government, business, and other priority sectors.

Oman's emphasis on the digital economy reflects the country's wider ambition to use technology as a productivity lever, with priorities including **digital infrastructure development** and the **adoption of advanced technologies** across both the public and private sectors.

The digital economy also supports the plan's broader private-sector and competitiveness objectives. Digital infrastructure, advanced technologies, data systems, and automation can **improve service delivery, reduce transaction costs, raise productivity, and support new business models**, which can also improve the performance of other sectors, making technology a cross-cutting capability that can raise efficiency across the wider economy.

The sector's role is also linked to Oman's longer-term digital transformation agenda. **Oman's 2026–2030 digital economy roadmap** points to initiatives such as:



This makes the digital economy central to Oman's ability to move from diversification by sector to diversification through productivity.

Oman's **National Digital Economy Program** provides a concrete example of how digital transformation is being institutionalized. The program aims to increase the digital economy's contribution to GDP from 2% to 10% by 2040, supported by initiatives in **e-government, artificial intelligence, big data, cloud computing, and e-commerce.**



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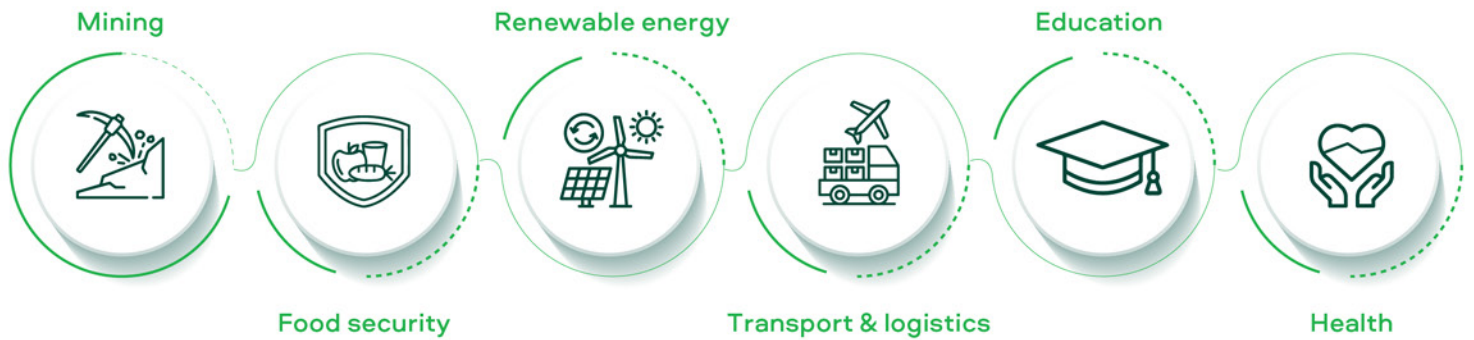


D. Enabling Sectors

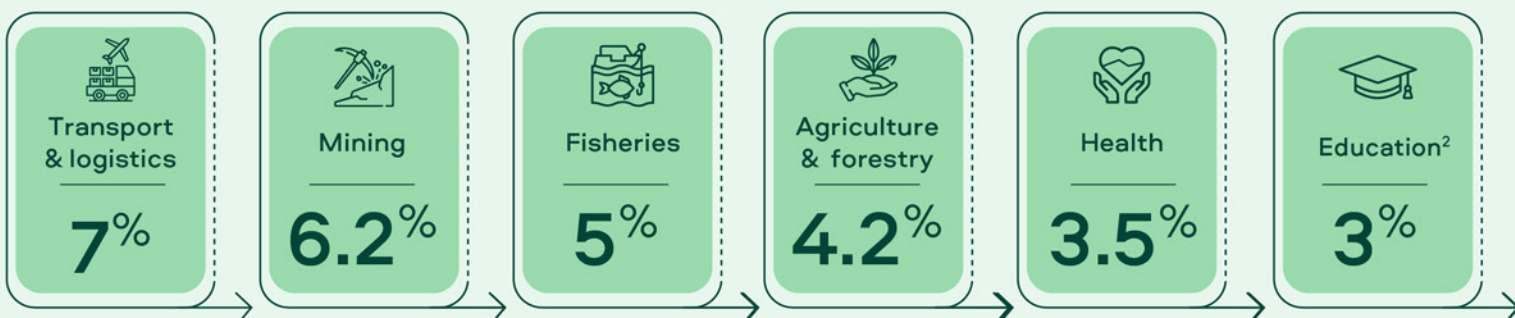
The Support System Behind Diversification

Although the plan highlights manufacturing, tourism, and the digital economy as core sectors, it also identifies several enabling and supporting sectors that are essential for sustaining growth.

These include :



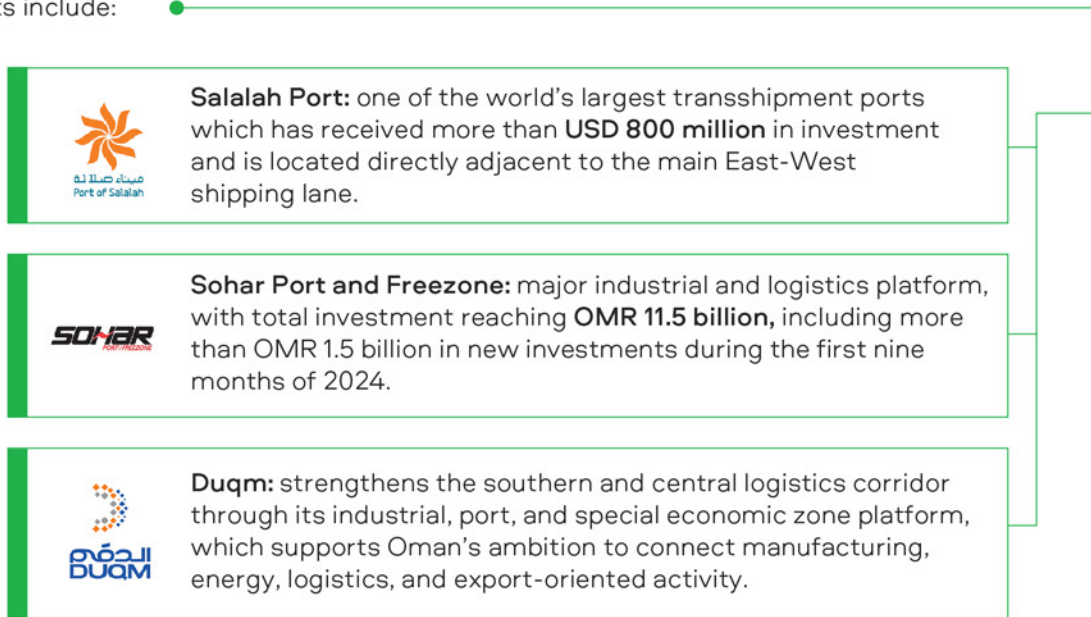
The plan's supporting sector targets include growth across:



Among them, Oman's logistics advantage is becoming increasingly relevant to its diversification agenda. The Country's logistics proposition is built on a geographic advantage that is increasingly relevant in a period of regional disruption.

Its ports sit on the **Arabian Sea** and **Gulf of Oman**, giving the country direct access to major east-west trade routes and nearby markets in the Middle East, India, and East Africa. They are located within two weeks' sailing time of major global ports and connect to **200 weekly maritime services** across **86 commercial ports in more than 40 countries**.

These ports include:



ASYAD is central to this logistics agenda because it operates as Oman's integrated logistics group across maritime, ports, free zones, logistics, and public services. The group contributed **USD 2.7 billion** to FDI in Oman's free zones in 2023 through strategic hubs including **Sohar, Salalah, and Duqm**, offering investors access to ASYAD's integrated logistics ecosystem and proximity to emerging markets in Africa and Asia.

This geographic position is reinforced by **Oman's long-standing diplomatic posture**. Oman is widely viewed as a regional mediator with a foreign policy built around balanced relationships and open channels with competing powers. For example, Oman continued to mediate U.S.–Iran talks in 2026 despite rising tensions). For logistics and trade, **neutrality and political predictability** can become commercial advantages when companies are reassessing supply chains, shipping routes, and contingency hubs during periods of regional instability.

The success of Oman's diversification agenda will therefore depend on whether the country can build interconnected value chains across industry, logistics, digital systems, energy, skills, and local development, and turn these sectors into investable projects, competitive businesses, export capacity, and quality jobs for Omanis. The 11th Plan has also emphasized the role of **sustainable and digitally enabled supply chains** as an operational backbone for these sectors.

IV. THE JOBS AGENDA

Employment as the Test of Diversification

Employment is one of the most visible measures of success for Oman's 11th Five-Year Development Plan, because the plan directly links economic diversification with the creation of opportunities for Omanis across both the public and private sectors. The plan aims to generate around 300,000 direct opportunities for Omanis between 2026 and 2030, compared with approximately 175,000 opportunities created during the 10th Five-Year Plan period.

This target means that Oman will need to create an average of around **60,000 opportunities annually** during the plan period. Of these, approximately **10,000 opportunities per year** are expected to come from the government sector, while around 50,000 opportunities per year are expected to come from the private sector.

This split shows that Oman's employment model for the 2026–2030 period depends primarily on private-sector absorption, rather than continued reliance on the public sector as the main employer.



The jobs agenda therefore sits at the intersection of Oman's economic and social priorities. On one hand, the plan aims to expand non-oil activity, raise the private sector's contribution to GDP, and increase investment in productive sectors. On the other hand, it seeks to ensure that this growth is translated into **direct opportunities for Omani citizens**, making employment one of the clearest tests of whether diversification is delivering tangible social and economic outcomes.

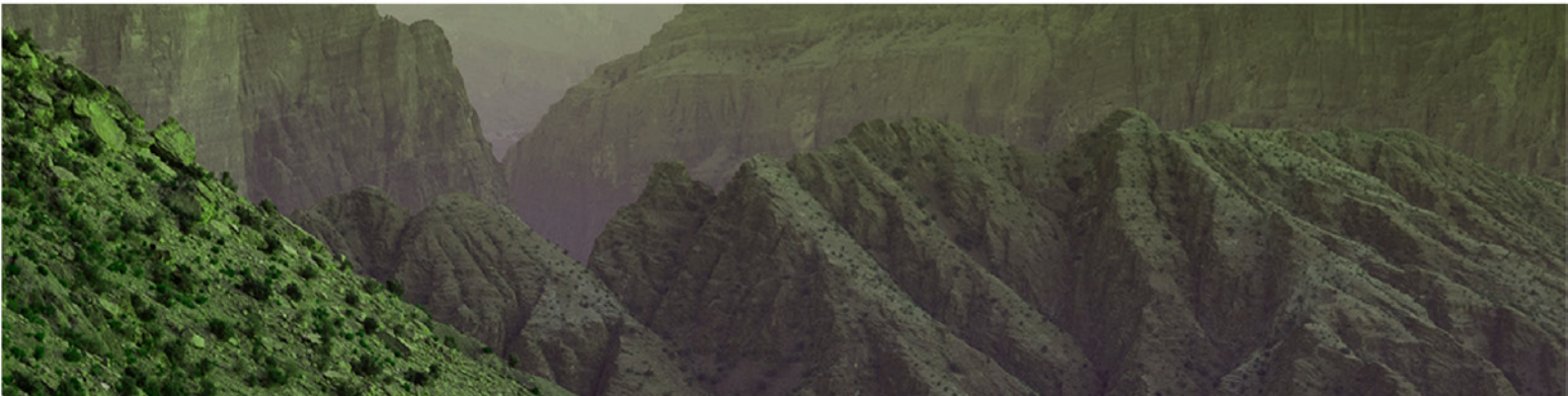
The plan also places **labor market efficiency** at the center of its development agenda. One of the national development drivers identified for the 11th Plan is the enhancement of labor market efficiency and employment, with the aim of developing an attractive labor market for national competencies. This indicates that the plan is not only concerned with the number of opportunities created, but also with improving how the labor market functions, how skills are matched with demand, and how Omani talent is absorbed into productive sectors. If the plan's priority sectors generate roles that are sustainable, skills-based, and attractive to Omanis, then job creation can reinforce productivity, household income, and private-sector development.

The employment agenda is also linked to balanced development across governorates. The 11th Plan identifies economic decentralization across governorates as one of its national development drivers, with the aim of achieving balanced development and leveraging local competitive advantages, which gives diversification a spatial dimension.

Rather than treating non-oil growth as a national aggregate, the 11th Plan creates room for each governorate to contribute to economic transformation based on its comparative strengths.

This can help distribute investment, employment, and service development more evenly across the country if implementation is effectively coordinated. The country's ability to generate growth and jobs beyond the capital will depend on whether governorates can convert their local advantages into investable projects, productive enterprises, and employment opportunities for Omanis.

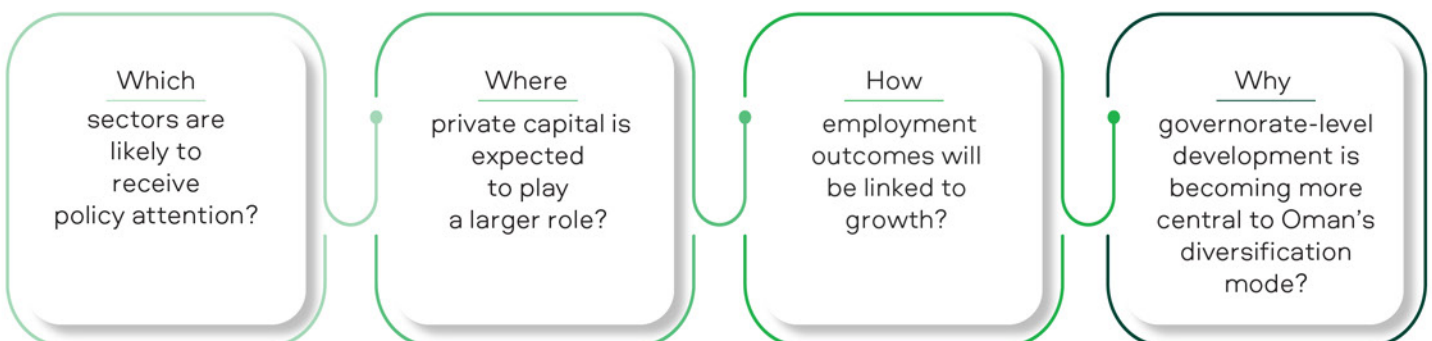
The Ministry of Economy's Strategic Programs Volume also reinforces this execution logic, because employment outcomes will also depend on **coordinated implementation across education, training, private-sector development, regional development, governance, and social policy.**



V. STRATEGIC IMPLICATIONS

What the Plan Means for Investors, Businesses, and Policymakers

The 11th Five-Year Development Plan creates a clearer development map for investors, businesses, policymakers, and regional stakeholders. Its value is not only in the targets it sets, but in the signals it sends:



AREA OF DEVELOPMENT

STRATEGIC IMPLICATION



Investment Alignment

Investors can assess opportunities based on alignment with national priorities, especially where projects contribute to non-oil growth, productivity, job creation, and local value addition.



Private-Sector Expansion

Businesses that can scale in priority sectors, form public-private partnerships, or support industrial and service-sector development will be better positioned within Oman's next growth cycle.



Program-Based Delivery

Companies and investors should monitor the Strategic Programs Volume and annual project announcements, because opportunities are likely to emerge through specific programs.



Annual Project Selection

Market participants should treat the plan as a rolling opportunity pipeline, where timing, readiness, and alignment with annual priorities may matter as much as sector selection.



Employment & Skills

Employers will need to link growth plans with Omani opportunities, training, upskilling, and talent development, especially in technical, supervisory, digital, tourism, logistics, and industrial roles.



Governorate-Level Development

Opportunities will increasingly emerge outside Muscat, especially in tourism, fisheries, mining, agriculture, logistics, industrial zones, local services, and region-specific value chains.



Low-Carbon Transition

Businesses can position around renewable energy, green industrial inputs, energy efficiency, sustainable logistics, environmental services, and low-carbon production models.



Governance & Monitoring

Policymakers and implementing entities will need strong data systems, performance dashboards, inter-agency coordination, and evaluation capabilities to ensure the plan remains responsive and measurable.



SME & Local Enterprise Development

SMEs can benefit where they support tourism experiences, local supply chains, digital services, food security, logistics, maintenance, training, and business services linked to larger projects.



Regional Positioning

Regional Positioning Oman can differentiate itself in the GCC as a stable, phased, and investment-oriented market where diversification is pursued through structured programs rather than only headline mega-projects.



Turning Vision 2040 into Measurable Growth

Oman's 11th Five-Year Development Plan represents an important transition in the country's development journey: from the recovery and stabilization focus of the 2021–2025 cycle toward a more deliberate phase of diversified, private-sector-led, and regionally balanced growth. The plan is not positioned as a new national vision, but as the second executive roadmap under **Oman Vision 2040**.

What makes the plan significant is the way it brings together several priorities under one implementation framework. It targets **economic growth**, focuses on **priority sectors**, and aims to generate direct **opportunities for Omanis** during the plan period. At the same time, it places emphasis on **fiscal sustainability**, **low-carbon transition**, **environmental sustainability**, **economic decentralization across governorates**, **sustainable social development**, **governance and institutional performance**, and **labor market efficiency**.

Ultimately, the 11th Five-Year Development Plan will be judged by its ability to convert Oman Vision 2040 into tangible outcomes. If implemented effectively, it can **strengthen Oman's non-oil economy**, **deepen private-sector participation**, **create wider employment opportunities** for Omanis, and **support a more resilient and diversified development model focusing on non-hydrocarbon sectors**. Its real test will be the extent to which it turns national priorities into productive investment, regional opportunity, and sustainable growth.



Meet the Contributors

Seifallah Rabie

Partner
at LOGIC Consulting
& UAE Country Manager

The article was edited by
Farah Badawi, Senior Editor at
LOGIC Consulting

Cairo Office

+20 127 350 5023
SODIC West, Block 1, Zone 4B

Riyadh Office

+966 53 662 0650
3888 Anas Ibn Malik, Al Malqa

Jeddah Office

+966 53 661 8642
1004 Jameel Square Building. Tahlia St.

Dubai Office

+971 52 499 2567
Business Bay, Parklane Tower, Office 1102

Bahrain Office

Park Place Building. Seef Area
office 9001/ 9th Floor- Bahrain



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