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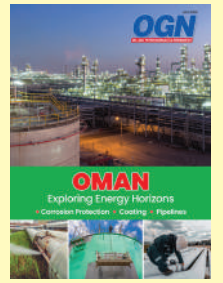
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Oman mining to
 bring prosperity

06



Ostrich fat shields
 against corrosion

22



China props up
 energy transition

36

CLEAN TECH LEADS CHARGE IN GLOBAL ENERGY INVESTMENTS

ABDULAZIZ KHATTAK

Pivotal shift towards sustainable energy underpins record investment in 2025

GLOBAL energy investment is set to reach \$3.3 trillion in 2025, with clean technologies accounting for \$2.2 trillion, reflecting a decisive move towards a lower-carbon future.

This substantial capital flow, detailed in the 10th edition of the International Energy Agency's (IEA) World Energy Investment report, sees clean energy technologies attracting more than double the investment of fossil fuels, which got \$1.1 trillion.

Electricity sector investments are robust and are set to hit \$1.5 trillion in 2025, 50 per cent higher than total fossil fuel supply spending. The global battery energy storage system (BESS) market alone was valued at \$10.5 billion in 2024 and is expected to surge to around \$32 billion by 2034.

Conversely, upstream oil investment is anticipated to decline by 6 per cent in 2025, the first drop since 2020, though natural gas is increasingly positioned as a 'bridge fuel', particularly with rising liquefied natural gas (LNG) export capacities. Coal investment, however, expects to see a 4 per cent increase in 2025, predominantly driven by demand in China and India.

Greenhouse gas emissions management is making significant strides, with



2025 electricity sector investments will be 50 per cent higher than fossil fuel

low-emissions fuels set to reach a new investment high of \$25 billion in 2025, up 30 per cent from 2024. Bioenergy investments are also predicted to rise by 13 per cent in 2025 to \$16 billion.

Critical minerals, vital for the energy transition, saw investment growth weaken to just 5 per cent in 2024, largely due to declining prices for battery metals like lithium, which fell over 80 per cent since 2023.

Green and infrastructure banks are playing a crucial role in financing the transition, yet private capital mobilisation remains a challenge, particularly in developing economies where Africa, for

instance, accounts for just 2 per cent of global clean energy investment.

Research and development continues to drive innovation, with increasing investment in areas like advanced lithium-ion batteries, hydrogen storage, and carbon capture and storage technologies. AI and data analytics are emerging as critical tools for grid optimisation and demand forecasting.

Regionally, China remains the single largest investor in energy, spending almost as much as the EU and US combined, and has significantly expanded its share of global clean energy investment over the past decade. ■

World Bank embraces nuclear energy funding

IN a major policy shift, the World Bank has lifted its long-standing ban on financing nuclear energy projects, aiming to bolster global electricity access and foster development.

This decision, formalised at a board meeting last month, reintroduces the institution to the nuclear sector after decades.

The move is driven by the urgent need to meet burgeoning electricity demand in developing nations, projected to more than double by 2035.

This growth necessitates significant investment in generation, grids, and storage, with annual figures needing to rise from \$280 billion currently to approximately \$630 billion.

The World Bank will now support efforts to extend the operational life of existing reactors and expedite the deployment of small modular reactors (SMRs), collaborating with the International Atomic Energy Agency (IAEA) to ensure safety and regulatory standards.

This pragmatic approach empowers countries to choose diverse energy mixes, including nuclear, to achieve their development objectives. ■



Aramco CEO urges 'realistic' path to energy transition

AMIN Nasser, President and CEO of Aramco, recently delivered a sobering assessment of the global energy transition, calling for a pragmatic shift away from what he described as an "oversold and under-delivered" narrative.

Speaking via video address at Energy Asia 2025, held last month in Kuala Lumpur, he emphasised that the current transition plan, often touted as rapid and painless, had revealed significant technical, economic, political, and social flaws.

Nasser highlighted that oil demand continued to exceed 100 million barrels per day (bpd), with no signs of collapsing, contrary to early predictions.

He pointed out that reaching net-zero emissions could cost an astronomical \$200 trillion, a figure that raised growing public doubts as the reality of renewable energy's readiness to shoulder the entire energy burden becomes apparent.

For Asia, a region accounting for nearly half of global energy demand

and the engine of global growth, Nasser stressed the critical need for a tailored, flexible energy strategy that incorporates all sources, including oil and gas, to ensure energy security and affordability alongside sustainability.

His remarks align with earlier statements at CERAWEEK 2025 in Houston, where he called for a 'Transition Plan 2.0', advocating for a balanced energy model that allows both traditional and renewable sources to grow.

Nasser maintained that new energy

sources complemented, rather than replaced, existing ones, and currently could not even meet demand growth.

He reiterated the importance of reducing emissions from all energy sources while expanding new solutions at a realistic pace, stressing that conflicts underscored the vital role of oil and gas in global energy security.

Nasser urged greater collaboration among governments, industry, and innovators to deliver a secure, affordable, and sustainable future grounded in reality. ■

OMAN 02

- Marsa LNG project sets global standards for sustainable energy transition
- Oman's mining moves towards sustainable economic prosperity
- Oman to explore new blocks in 2025 to drive energy security
- OQ forges green path, drives economic prosperity across Sultanate
- Green leap: Oman's energy giant forges sustainable future
- OPAL powers Omani workforce development in energy sector
- Revcoo's carbon capture tech offers to boost GCC's sustainability drive
- Precision pipeline intervention enables seamless gas segregation in Oman
- AMRs offer game-changing opportunity for Middle East's energy sector

CORROSION PROTECTION 20

- Materials matter: Selecting the right material for corrosion resistance
- Ostrich fat waste: A unique green shield against steel corrosion
- Eco-friendly guardians: The rise of sustainable corrosion inhibitors

COATINGS 25

- CRTS expands pipeline coating sector with acquisition, robotic systems
- Global protective & marine coatings market to reach \$39.56bn by 2032

PIPELINES 27

- O&G pipelines market poised for robust growth on rising energy demand
- Advances in multiphase flow modeling boost oil pipeline efficiency
- IoT enhances pipeline safety, efficiency, and environmental protection

OGN Explainer 31

Tech Talk 32

Views & Analysis 34

China & Far East Focus 36

Products & Services 38

Regional News 40

World News 42

Africa Focus 44

Industry Events 45

Business 46

OMAN'S ENERGY REVOLUTION: BRIDGING HYDROCARBONS AND GREEN HORIZONS

Oman, a nation historically anchored by its significant hydrocarbon wealth, is proactively navigating the complexities of a global energy transition, moving beyond its legacy oil and gas endowments while simultaneously leveraging them to build a robust foundation for a greener future



Oman's geographical location makes it ideally suited for large-scale solar power generation

BY ABDULAZIZ KHATTAK

OMAN'S energy sector stands at a pivotal juncture, balancing its historical reliance on oil and gas with an ambitious pivot towards renewable energy and green hydrogen.

Guided by Oman Vision 2040, the Sultanate is navigating the global energy transition with strategic investments, leveraging its abundant natural resources and geographic advantages to emerge as a regional leader in sustainable energy.

PAST FOUNDATIONS & CURRENT POSITION

Oman's energy story began with oil exploration in the late 1960s, with production escalating in the 1970s and 1980s before hitting a peak of 250,000 barrels per day (bpd).

Production then tapered to around 88,000 barrels per day by 2005. Natural gas followed, fuelling domestic electricity and industrial sectors, with approximately 70 per cent of produced gas consumed internally. Oman LNG entered operation in 2000, linking domestic gas to global markets.

As of 2023, renewables comprised just 3.6 per cent of electricity generation (1.6 TWh of 44.3 TWh

total).

Yet, fossil fuels still dominate the energy mix, and substantial reserves remain, with gas reserves estimated to last 30 years at current rates.

In 2021, the country produced approximately 1.056 million barrels of crude oil per day, a figure that has seen fluctuations but consistently underpinned national revenues.

Natural gas has played an increasingly crucial role, largely powering domestic electricity generation through efficient gas-turbine-fired generators.

Historically, Oman's electricity consumption has been predominantly met by natural gas, accounting for around 95 per cent of total generation in 2022.

While oil made up a small percentage, solar photovoltaic (PV) contributed only about 2.5 per cent in the same year, though this share is rapidly increasing.

In 2023, Oman's electricity consumption was reported at 39,296 GWh, an increase from 36,427.1 GWh in 2022. The major sectors driving electricity consumption are residential (43.5 per cent), commercial and public services (34.7 per cent), and industry (20.4 per cent).

A NEW VISION: OMAN'S TRANSITION STRATEGY

Under the leadership of Sultan

Haitham bin Tariq Al Said, Oman committed to net-zero emissions by 2050, aligning with the Paris Agreement.

Oman Vision 2040, the Sultanate's long-term national development blueprint, represents a decisive break from past over-reliance on hydrocarbons. It outlines a strategic shift towards a diversified, sustainable economy driven by technology, innovation, and competitiveness.

Key energy-related targets within this vision are ambitious: To reduce the oil share of GDP to 16 per cent by 2030 and 8.4 per cent by 2040, while simultaneously increasing the non-oil sector's contribution.

Vision 2040 targets a 20 per cent renewable share in end-use energy by 2030, rising to 35–39 per cent by 2040.

Electricity-specific goals are 11 per cent renewables by 2025, 30 per cent by 2030, 70 per cent by 2040, and full decarbonisation by 2050.

The Energy Transition Policy formalises a roadmap that integrates renewables, green hydrogen, carbon capture, distributed generation, energy efficiency, and electrification of transport and industry.

The ultimate objective is to achieve net-zero emissions by 2050, aligning Oman with global climate goals and positioning it as a responsible energy player on the international stage.

This vision acknowledges that while oil and gas remain vital for the foreseeable future, particularly as feedstocks for a burgeoning petrochemical sector, the path to long-term prosperity lies in embracing new energy paradigms.

CURRENT LANDSCAPE: PROJECTS, POLICIES & STRATEGIC INITIATIVES

Oman's energy sector is a hive of activity, marked by a dynamic interplay of ongoing projects, strategic partnerships, and forward-looking policy adjustments.

The transition is not merely aspirational but is materialising through concrete initiatives across various energy segments.

In 2025, Oman embarked on several new renewable plants (both solar and wind) with an emphasis on wind due to resource potential, targeting over 2 GW operational by 2027.

The Dhofar Wind Farm (50 MW) is already functional. Large solar projects include Ibri II (500 MW), Manah (1 GW), and plans for 3 GW more by 2030.

The IEA notes specific upcoming projects: Barka waste-to-energy, Jaalan wind (100 MW), Duqm CSP (600 MW), Duqm wind (200 MW), and Dhofar expansion.

Recent reports highlight six new projects by 2030, including the first energy storage facility to complement the renewable fleet.

Oman Power and Water Procurement (OPWP) and Nama Group have awarded 13 renewable energy agreements worth approximately \$2 billion.

State-owned OQAE will hold up to 25 per cent equity in all future renewable IPP projects, beginning with Ibri III (500 MW).

Smart grid efforts include replacing 75 per cent of conventional meters with smart ones (rollout expected by 2025-end), telemonitoring, prepaid billing, and efficiency upgrades via Nama Power.

In the private sector, discussions are ongoing on green hydrogen export corridors ("hydrogen highways") with international players, including Amna Alliance and BP Oman, targeting 1 million tonnes per annum (Mtpa) by 2030, increasing to 3.7 Mtpa by 2040 and 8.5 Mtpa by 2050.

An ambitious LNG and solar hybrid project, Marsa LNG near Sohar, has passed FID, with solar fully meeting its power needs and serving as a regional bunkering hub.

The Authority for Public Services Regulation (APSR) has established ambitious targets, setting a goal to increase renewable energy's share to 31 per cent by the end of 2029, marking a significant acceleration from previous timelines.

By early 2024, Hydrom had already signed six landmark agreements around the ports of Duqm and Salalah with major global firms, including BP, ACME, Uniper-DEME (Hyport Duqm), EDF-JPower-Yamna, ACTIS-Fortescue, Green Energy Oman, and Marubeni Samsung.

These deals represent approximately 15 GW of planned renewable capacity, expected to produce over 700,000 tonnes of green hydrogen and attract nearly \$20 billion in investment.



Fossil fuels still dominate Oman's energy mix

The Hyport Duqm project, a collaboration between OQ, Uniper, and DEME Group, aims to use 1.3 GW of solar and wind to operate a 500-MW electrolyser system, generating 60,000 tonnes of green hydrogen per year.

Initial production from this project is set for 2026. Oman is projected to claim 60 per cent of the Middle East's green hydrogen exports by 2030.

Despite the focus on new energies, the traditional oil and gas sector continues to see activity.

Investments in exploration and production are ongoing, and the country's oil production has been steadily increasing in recent years.

The Duqm Refinery, which began production in 2023 with a capacity of refining 230,000 bpd, highlights continued investment in downstream capabilities.

The expansion of gas infrastructure, including gas-fired power plants and LNG terminals, remains crucial for domestic energy security and petrochemical growth.

Challenges include the volatility of oil prices, environmental regulations, and the need to manage the end-of-life cycle for renewable energy technologies, particularly solar PV waste.

Oman is exploring circular economy principles to address the latter, including reuse, refurbishment, remanufacturing, and recycling of solar panels, which also presents new economic opportunities.

OMAN'S STRATEGIC STRENGTHS

Oman's strengths in the energy sector are multifaceted, encompassing both its legacy hydrocarbon assets and its burgeoning potential in new energy domains.

Its primary strength has historically resided in its oil and gas reserves and its established infrastructure for extraction, processing, and export.

Oman is the largest producer of oil and gas in the Middle East outside the Organisation of the Petroleum Exporting Countries (OPEC), with estimated oil reserves of 5.373 billion barrels in 2022 and significant nat-

ural gas reserves of 651 billion cu m in 2021.

The operational efficiency of Petroleum Development Oman (PDO), which holds the majority share in upstream production, and the established refining capabilities through facilities like the Duqm Refinery, underline this legacy strength.

This foundational strength provides the financial capital and technical expertise to fund and manage the transition to new energies.

However, the realistic and increasingly potent strength of Oman lies in its new energy potential, specifically in:

- **Solar energy:** Oman benefits from high solar irradiance, receiving more than 300 days of sunshine per year, making it exceptionally well-suited for large-scale solar power generation. The success of projects like Ibri II and the Manah Solar Project demonstrates the viability and scale of this resource.
- **Wind energy:** Oman's coastal and mountainous regions, particularly in Al Wusta and Dhofar governorates, possess strong and consistent wind speeds, offering significant potential for wind energy production. The Dhofar Wind Farm is a testament to this viable resource.
- **Green hydrogen:** This is arguably Oman's most significant emerging strength. The confluence of abundant and high-quality solar and wind resources, coupled with vast swathes of uninhabited land suitable for large-scale renewable energy farms, positions Oman to become a global hub for green hydrogen production and export. The strategic establishment of Hydrom and the rapid signing of major international partnerships underscore this ambition. Oman plans to produce over 1 Mtpa of hydrogen annually by 2030, a figure that could rise to 8.5 Mtpa by 2050, enough to meet Europe's current hydrogen demand. The country's existing world-class port infrastructure at Duqm and

Salalah is a crucial enabler for hydrogen export, particularly in the form of green ammonia.

• **Strategic vision and regulatory framework:** The clear and ambitious targets outlined in Oman Vision 2040, supported by regulatory bodies like APSR, provide a stable and attractive environment for investment in new energy projects.

The government's proactive approach in allocating land for green hydrogen projects and streamlining processes distinguishes Oman from some regional competitors.

While traditional hydrocarbons offer current stability and revenue, the long-term, sustainable strength and competitive advantage for Oman will increasingly stem from its ability to harness and export clean energy, particularly green hydrogen, leveraging its superior natural resources and strategic foresight.

THE WAY FORWARD: LEGACY, RENEWABLES OR BOTH?

For Oman, the optimal way forward is unequivocally a strategy that embraces both legacy energy and new energy, with a clear and accelerating pivot towards the latter.

A complete abandonment of its well-established oil and gas sector in the short to medium term would be economically disruptive and impractical, given its deep integration into the national economy and global supply chains.

However, a complacent reliance on hydrocarbons would be equally detrimental, risking economic stagnation and environmental vulnerability in a rapidly decarbonising world.

• **Leveraging legacy energy:** The hydrocarbon sector can serve as a crucial enabler for the energy transition. Revenues generated from oil and gas exports provide the necessary capital to invest in large-scale renewable energy projects and the associated infrastructure. Furthermore, the existing expertise in large-scale project management,



Marsa LNG project to set global standards for 'cleaner' fuels

IN the port of Sohar, northern Oman, the Marsa LNG project, a joint venture between TotalEnergies and OQ Exploration and Production (OQEP), is reshaping the global energy landscape.

Launched with a groundbreaking ceremony in May 2025, this ambitious initiative is poised to become the Middle East's first liquefied natural gas (LNG) bunkering hub, supporting the maritime industry's shift towards cleaner fuels.

With a focus on ultra-low carbon emissions and innovative infrastructure, Marsa LNG is not only a regional milestone but also a global benchmark for sustainable LNG production, aligning with Oman's Vision 2040 and the world's push for net-zero transitions.

The Marsa LNG plant, with a capacity of 1 million tonnes per year, is designed to be one of the world's lowest carbon intensity LNG facilities.

Fully electrified, it is powered by a 300-megawatt-peak photovoltaic solar farm, reducing its Scope 1 and 2 emissions to less than 3 kg CO₂e per barrel of oil equivalent – 90 per cent lower than the global LNG plant average of 35 kg CO₂e/boe.

This remarkable efficiency stems from its integrated approach, combining natural gas production from Oman's Block 10 with a dedicated solar plant.

Set to commence production in early 2028, the facility will primarily supply LNG as a marine fuel, catering to vessels such as container ships, tankers, and cruise liners transiting the GCC.

The strategic location at Sohar's port, near the GCC's entrance, enhances its role as a pivotal bunkering hub, eliminating the need for long-distance LNG transport and further cutting emissions.

A key component of the project is the LNG bunkering vessel Monte Shams, currently under construction and slated for operation in Sohar by 2028.

Named after Oman's Jabal Shams, this vessel will



The groundbreaking at Marsa LNG

deliver LNG directly to ships, enabling a seamless transition to a fuel that reduces greenhouse gas emissions by approximately 20 per cent compared to conventional fuel oil.

The low-carbon LNG produced at Marsa LNG amplifies this benefit, offering ships a greener alternative without compromising affordability or availability.

TotalEnergies, a global leader in LNG with a 40 Mt/y portfolio, underscores the project's significance.

"Marsa LNG demonstrates that LNG production can be very low carbon, contributing to making gas a long-term transition fuel," says Patrick Pouyanne, TotalEnergies' Chairman and CEO, highlighting its potential to set new standards for LNG plants

worldwide.

Oman's government, through the Ministry of Energy and Minerals, has championed the project as a cornerstone of economic diversification and sustainability.

It aligns with Oman Vision 2040, fostering industrial innovation, job creation, and knowledge transfer while positioning Oman as a reliable hub for clean maritime fuel.

OQEP, Oman's largest oil and gas exploration company, brings its expertise to the partnership, with Ahmed Al Azkawi, the CEO, emphasising the project's role in driving innovation and reinforcing Oman's global energy stature.

Recent updates indicate steady progress, with construction advancing on schedule and the solar farm's development gaining momentum, ensuring the plant's energy needs are met sustainably.

The maritime sector's adoption of LNG is gaining traction globally, driven by its ability to cut emissions by up to 23 per cent and improve air quality, particularly in port cities.

TotalEnergies' existing LNG bunkering vessels in Rotterdam, Marseille-Fos, and Singapore provide a blueprint for Marsa LNG's ambitions.

As the shipping industry faces pressure to decarbonise, Marsa LNG's low-carbon model, coupled with its strategic location, positions it to meet growing demand for sustainable marine fuels.

The project also supports Oman's renewable energy goals, with TotalEnergies expanding its 600-MW renewable portfolio in the country.

Marsa LNG represents a bold step towards a cleaner energy future, blending cutting-edge technology with strategic vision.

By 2028, it is expected to redefine LNG's role in maritime decarbonisation, cementing Oman's place at the forefront of the global energy transition. ■

Oman's energy revolution: Bridging hydrocarbons, green horizons

»»

engineering, and international energy markets within Oman's oil and gas companies (like PDO and OQ) can be redeployed and adapted to the demands of the new energy economy.

Natural gas, in particular, will remain a critical bridge fuel, providing stable baseload power as renewable capacity scales up and serving as a feedstock for petrochemical industries that add significant value. Investment in modernising refineries and enhancing efficiency in existing operations can also reduce the carbon intensity of traditional energy production.

Oman is actively exploring carbon capture, utilisation, and storage (CCUS) technologies to decarbonise its existing industrial processes, demonstrating an awareness of the need to clean up legacy operations.

• **Accelerating new energy adoption:** The strategic imperative for Oman lies in aggressively expanding its renewable energy capacity, particularly solar and wind, and establishing itself as a global leader in

green hydrogen.

This is not just about environmental responsibility but also about long-term economic diversification and competitive advantage.

Green hydrogen, with its potential as a clean energy carrier and industrial feedstock, offers a significant export opportunity, allowing Oman to maintain its role as a key energy exporter in a decarbonised world. The ongoing large-scale projects and partnerships indicate a strong commitment to this path.

• **Synergy and integration:** The most effective strategy involves fostering synergy between the two. For instance, surplus renewable electricity generated from large solar and wind farms could be sold to the national grid, enhancing grid stability and reducing reliance on gas-fired power plants.

The development of green hydrogen facilities will require robust power transmission infrastructure, which can also benefit the broader electricity network.

Furthermore, the expertise gained in developing and managing vast oil and gas pipelines can be leveraged

for future hydrogen transportation networks.

Therefore, Oman's best way forward is a nuanced, dual-track approach: Responsibly managing its hydrocarbon assets for revenue and stability, while simultaneously making aggressive, strategic investments in renewable energy and green hydrogen to secure its future as a diversified, sustainable energy powerhouse.

This approach, deeply embedded in Oman Vision 2040, aims to transform the nation into a key player in the global clean energy transition, mitigating risks associated with fossil fuel dependence and unlocking new avenues for economic growth.

PROJECTS BY PUBLIC & PRIVATE ENTITIES

Oman's energy sector is experiencing a flurry of activity, with numerous projects spearheaded by both public and private sector companies, reflecting the country's dual focus on optimising existing resources and pioneering new energy frontiers.

Some of the public sector initiatives (often in partnership with private entities) include:

• **Green hydrogen projects:** Hydrom, a government-established entity, is orchestrating the development of Oman's green hydrogen economy. Key projects include:

Hyport Duqm: A collaboration involving OQ (Oman's global integrated energy group), Uniper, and DEMA Group, this project aims to use 1.3 GW of solar and wind power to operate a 500 MW electrolyser, producing 60,000 tonnes of green hydrogen annually, convertible into 330,000 tonnes of green ammonia. Phase one is set for 2026.

ACME's Duqm facility: A \$3.5-billion project powered by 3 GW of solar and 500 MW of wind, targeting up to 900,000 tonnes of green ammonia annually.

Salalah consortia: Led by groups including EDF/JPower/Yamna and ACTIS-Fortescue, these projects plan to install about 4.5 GW of renewable capacity to produce 175,000 to 200,000 tonnes of green hydrogen annually, with the goal of exporting one million tonnes of green ammonia. ■

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Mining sector expansion aims to bring economic prosperity to Sultanate

Oman's transformative journey in mining includes establishing a national trading company and embracing green technologies to maximise resource value and drive sustainable economic growth

BY ABDULAZIZ KHATTAK

OMAN'S mining sector is currently undergoing a significant transformation, positioning the Sultanate as a burgeoning force in the global mineral market.

Driven by an ambitious vision to diversify its economy and maximise the in-country value of its rich natural resources, Oman is implementing a series of strategic initiatives, including the establishment of a national mineral trading company and substantial investments in sustainable mining practices.

These concerted efforts are set to unlock the full potential of Oman's mineral wealth, foster economic growth, and enhance the nation's competitive standing on the international stage.

Minerals Development Oman (MDO) has been instrumental in spearheading these initiatives, demonstrating a steadfast commitment to enhancing the mining sector's contribution to Oman's economic and social development.

According to MDO's 2024 report released early this year, the holding company made significant strides in executing its investment strategy, expanding its portfolio, and strengthening strategic partnerships.

A pivotal moment was the signing of two concession agreements with the Ministry of Energy and Minerals for silica and salt exploration and mining in Mahout.

This expansion alone increased MDO's total concession area to 23,763 sq km, opening new avenues for exploration and mineral resource development in alignment with a sustainable growth strategy.

Furthermore, the appointment of a new CEO marked a strategic milestone, reinforcing MDO's commitment to implementing ambitious mining sector initiatives.

A cornerstone of Oman's reformed mineral management system is the establishment of the Oman Minerals Trading Company (OMTC).

This groundbreaking resolution grants OMTC the mandate to organise the marketing and export of minerals from the Sultanate.

The move is a direct response to the structural challenges within the mineral market, such as the proliferation of intermediaries and a lack of specialised marketing mechanisms that have histor-



Oman has expanded its total mining concession area to 23,763 sq km

cally led to declining prices despite increasing production.

OMTC, a subsidiary of Minerals Development Oman, will centrally manage all mineral exports, standardise contracts and specifications, and engage in professional negotiations with international buyers to elevate average export prices and significantly boost national revenues.

The decision also introduces strict regulations, particularly for the export of gypsum and chromite ores, prioritising local market demand before any export operations are considered, and mandating a minimum concentration of 36 per cent for exported raw chromite ore.

This initiative aligns seamlessly with the Ministry of Energy and Minerals' broader 'Majd' initiative, designed to consolidate and evaluate in-country value (ICV) efforts within the energy and minerals sector by requiring companies to adopt clear strategies for strengthening local content and supporting downstream industries.

A one-year transition period has been granted for companies to adapt to this new marketing mechanism, with training and induction sessions planned to support stakeholders.

Oman's mining initiatives extend beyond regulatory frameworks to embrace sustainable practices and technological advancements.

A notable development is the inauguration of Oman's first facility to transform legacy copper mining waste into pure copper using advanced, sustainable technologies.

This nearly \$106 million project, developed by Green Tech Mining and Services, aims to convert environmental challenges into economic opportunities, aligning with the industrial strategy of Oman Vision 2040.

Phase 1 production, powered by renewable energy, began in June, targeting an initial output of 60 tonnes annually of green copper cathode, with capacity projected to rise to 12,000 tonnes per year by December 2026.

This reinforces Oman's position as a hub for green industries and sustainable mining, balancing economic growth with environmental preservation.

Furthermore, the Shura Council has been actively discussing Omanisation strategies within the energy and minerals sectors, aiming to empower national talent and increase local employment in mining projects, especially within concession areas, to ensure local communities benefit economically.

These discussions highlight the importance of aligning academic outputs with industry needs through enhanced coordination between the Ministry, higher education institutions, and specialised training institutes.

Oman's broader commitment to its Vision 2040 goals is evident, with 95 per cent of its strategic programmes underway, including those focused on modernising financial legislation in mining, updating the Mineral Resources Law, promoting mining investment, and developing a digital mining platform.

These comprehensive efforts underscore Oman's dedication to creating a transparent, regulated, and sustainable business environment that attracts reliable investments and strengthens national industries, ultimately securing better returns from its abundant mineral resources. ■

Exploration of new blocks in 2025 to drive energy security

OMAN is vigorously pursuing new investment in its oil and gas sector in 2025, launching several licensing rounds and extending key concessions to bolster production capacity and ensure long-term energy security.

The overarching goal is to expand production, accelerate field development, and secure a stable energy supply for both domestic and international markets, while offering revised royalty systems and incentives to encourage participation.

In H1, the Ministry of Energy and Minerals introduced exploration opportunities including Block 18 in the Sea of Oman, and onshore Blocks 36, 43A,

and 66.

Block 36, located in the Ghudun Basin within the Rub al Khali region, spans 18,557 sq km; Block 43A, covering 6,920 sq km is in the Buraimi area; and Block 66, on the eastern flank of the Rub al Khali Basin, covers 4,898 sq km.

The application period for these blocks is expected to remain open until June 2025.

While specific winning bids for these newly invited blocks have not yet been announced, several companies in the exploration, drilling, and development sector have reportedly expressed interest.

Additionally, the Ministry and state-

owned OQ Exploration & Production (OQEP) are actively marketing 11 new concession blocks in 2025, including Block 18 in the Sea of Oman and other unspecified onshore areas,

These upcoming blocks are part of Oman's broader strategy to increase its crude oil production to 1.3 million barrels per day (bpd) by the end of the decade, up from the current 1 million bpd.

Furthermore, Petroleum Development Oman (PDO) has invited expressions of interest (EoIs) for the development of "Area A" within Block 6.

This 130-sq-km area in the Qarn Alam Cluster, within the prolific Gh-aba Basin, is believed to hold over 1

billion barrels of stock tank oil initially in place.

The deadline for EoI submissions for Area A was June 5, 2025.

Separately, the Occidental Mukhaizna consortium, which includes Oxy Oman, OQEP, Indian Oil Corporation, Liwa Energy Limited, and PTTEP, in May secured a significant 15-year extension for its exploration and production sharing agreement (EPSA) for the onshore Block 53, (Mukhaizna Field), Oman's largest oil field.

This extension, for operations until 2040, aims to unlock over 800 million barrels of additional resources and involves an estimated investment of \$30 billion over the extended term. ■

In 2024, OQ delivered two major IPOs, while also ramping up Duqm refinery to 110 per cent capacity, pushing green hydrogen pilot plans, and demonstrating digital innovation and global growth ambitions

OQ forges clear path to secure country's energy future



OQ collaborates with other energy sector players to bolster local production

OQ'S 2024 performance paints a compelling portrait of an energy powerhouse evolving at pace.

Riding a wave of solid growth, the company delivered not only stellar IPOs but also operational mastery at its state-of-the-art Duqm refinery, moved decisively into green hydrogen, strengthened its balance sheet and embraced digital transformation, all while nurturing Oman's talent and future ambitions.

OQ's most striking achievement came via the capital markets. The IPO of its exploration and production arm, OQEP, saw \$5.5 billion in demand (2.4 times oversubscribed) the largest in Omani history. Its chemicals arm, OQBI, quickly followed with a \$1 billion IPO, oversubscribed 2.1 times.

These listings propelled four IPOs in just two years, dramatically reshaping Oman's capital market landscape.

The Duqm refinery, a \$9 billion greenfield venture and 50/50 JV between OQ and Kuwait Petroleum International, burst beyond expectations.

Having begun operations in late 2023 with design capacity of 230,000 barrels per day (bpd), OQ8 recorded a 10 per cent overperformance, reaching 255,000 bpd; surpassing nameplate capacity and passing a demanding lenders' reliability test. That unlocked \$4 billion in shareholder guarantees.

With output stabilising at more than 110 per cent of design capacity, the refinery offers feedstock

Beyond traditional refining, OQ is making substantial strides in renewable energy, green hydrogen and ammonia initiatives

flexibility, while exporting over 4.1 million tonnes of refined product in 2024.

Its operational excellence signals OQ's readiness to scale Duqm as a major regional energy hub.

PIVOTAL GROWTH & FINANCIAL RESILIENCE

OQ's 2024 performance showed the company navigating complex global dynamics with strategic acumen and financial discipline.

The Group recorded an impressive EBITDA of \$2,846 million and a net profit of \$1,337 million.

While this represented a slight moderation in profitability compared to the preceding year, primarily due to prevailing unfavourable price environments and operational challenges, the underlying strength of OQ's core businesses remained evident.

The year also saw consolidated Group Revenue climb to \$40,052 million, marking a notable 17 per cent increase from 2023. This growth was largely propelled by a substantial 35 per cent surge in OQ Trading's volume, underscoring the effectiveness of its market strategies.

Operational excellence remained a cornerstone of OQ's strategy. For the second consecutive year, the Group reported zero fatalities and maintained a commendable downward trend in lost time injuries, with only four recorded in 2024.

This exceptional safety record underscores a deeply embedded culture of safety and operational integrity across all its facilities.

Furthermore, OQ has been proactive in enhancing its operational efficiency through strategic divestments, as highlighted by Ashraf Al-Mamari, Group CEO of OQ, who noted that achieving these results in 2024 was "a direct outcome of well-defined strategies focused on continually enhancing

