Oman Vision 2040 Document

His Majesty Sultan Haitham bin Tariq approved the launch of Oman Vision 2040 in December 2020, the document of which revolves around 12 national priorities falling into four main pillars:

People and Society

Economy and Development

Governance and Institutional Performance

Sustainable Environment
The document addresses each priority independently, including a detailed explanation of the priority’s strategic direction, objectives, and international and national indicators. Each indicator’s target performance in 2030 and 2040 was determined, as well as an explanation of the relationship between the vision’s strategic directions and the 2030 Sustainable Development Goals.

**Oman Vision 2040 Document Components**

- **4 Pillars**
- **12 National Priorities**
- **12 Strategic Directions**
- **75 Strategic Goals**
- **68 KPIs (National & International)**

**Vision Pillars and Priorities**

- **People and Society**
  - Education, Learning, Scientific Research and National Capabilities
  - Health
  - Citizenship, Identity, National Heritage and Culture
  - Well-being and Social Protection

- **Economy and Development**
  - Economic Leadership and Management
  - Economic Diversification and Fiscal Sustainability

- **Economy and Development**
  - Labor Market and Employment
  - The Private Sector, Investment and International Cooperation
  - Development of Governorates and Sustainable Cities

- **Sustainable Environment**
  - Environment and Natural Resources

- **Governance and Institutional Performance**
  - Legislative, Judicial and Oversight System
  - Governance of State’s Administrative Bodies, Resources and Projects
Oman Vision 2040 Implementation Follow-up Unit was created by virtue of Royal Decree no. 100/2020 issued on August 18, 2020. The unit reports to the Council of Ministers and follows up on the work carried out by public and semi-government entities, and observe the roles of different sectors related to the vision’s programs, according to their respective capacities and mandates. The unit also provides necessary support and proposes appropriate solutions to existing challenges, while ensuring integration of efforts.

**Grounds the unit relies upon to follow up the vision implementation**

**Partnership**

The vision’s success is the responsibility of all of us, without exception, in our respective positions, capabilities, and responsibilities. The vision was developed and crystallized with broad participation, and the unit will continue following up the implementation of the vision’s objectives and indicators with the entities responsible of implementation.

**Flexibility**

The vision document has been designed to be adaptable with performance indicators that may be adjusted to keep pace with continuous changes.

**Responsibility**

The entity responsible of implementation will be in charge of ensuring that the targeted vision indicators are achieved.

**Integration**

The unit was established to support the concerned entities to achieve the vision, enhance cooperation and integration among them, as well as follow up implementation as per adopted methods, procedures, and operational plans.
The unit's methodologies in following up and supporting the achievement of Oman Vision 2040

<table>
<thead>
<tr>
<th>Support Mechanism to activate the 5 methodologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Future Forecast Methodology</td>
</tr>
<tr>
<td>A stream to follow up the updates and developments on the local and global arena, reflect their effect on the Vision priorities and provide appropriate recommendations in order to develop clear initiatives and plans to take advantage of opportunities and avoid expected risks.</td>
</tr>
<tr>
<td>2- Improving Vision's Indicators Methodology</td>
</tr>
<tr>
<td>A stream to ensure accurate follow-up of the complex indicators of the Vision, especially the international indicators that have a high impact on the competitiveness of the Sultanate of Oman, and develop plans to improve these indicators by studying the gaps and following up on the methods of their improvement.</td>
</tr>
<tr>
<td>3- Main Methodology (Assessment &amp; Follow-up of Priorities)</td>
</tr>
<tr>
<td>The general follow-up stream of the priorities and capabilities of the Vision and the periodic diagnosis of each priority in terms of (governance and system - legislation and procedures - competencies - infrastructure, etc.). The aim of this follow up is to identify challenges and develop comprehensive solutions to overcome them and then measure their impact on the Vision indicators</td>
</tr>
<tr>
<td>4- Intensive Follow-up Methodology (National Programs)</td>
</tr>
<tr>
<td>A stream used to develop intensive national programs to overcome national-level challenges related to the Vision’s priority areas. It also includes designing initiatives with detailed plans for each program and following-up them to ensure the achievement of the program’s targets as soon as possible</td>
</tr>
<tr>
<td>5- Rapid Intervention Methodology (Under Development)</td>
</tr>
<tr>
<td>A stream for rapid intervention when sudden challenges occur on the national level. It quickly studies and analyzes the challenge, then develop a program to address the challenge, initially focusing on quick wins.</td>
</tr>
</tbody>
</table>
Follow-up System

Integrated National Dashboard for Indicators

The dashboard is one of the key drivers for the successful implementation of the follow-up and monitoring system, as the dashboard links the key indicators of the Vision with the operational indicators of the sector and program indicators. These are followed up and evaluated regularly at different levels.

Vision Indicators Dashboard
- The national and international indicators of the vision
- The main indicators of government entities (related to the roles of entities in achieving the vision)

Vision Programs and Initiatives Dashboard
- Following up the progress of initiatives and projects of the vision programs
Oman Vision 2040 Indicators
## An Overview of the Main Oman Vision 2040 Indicators

### International Indicators:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline Year</th>
<th>Baseline Status</th>
<th>Current Status Year</th>
<th>Current Status Countries</th>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Innovation Index</td>
<td>2018</td>
<td>69/127 countries</td>
<td>2021</td>
<td>76/132 countries</td>
<td>Top 40 Countries</td>
<td>Top 20 Countries</td>
</tr>
<tr>
<td>Global Competitiveness Index</td>
<td>2018</td>
<td>47/140 countries</td>
<td>2021 &amp; 2020</td>
<td>Not calculated</td>
<td>Top 30 Countries</td>
<td>Top 20 Countries</td>
</tr>
<tr>
<td>Skills, Global Competitiveness Index</td>
<td>2018</td>
<td>36/140 countries</td>
<td>2021 &amp; 2020</td>
<td>Not calculated</td>
<td>Top 20 Countries</td>
<td>Top 10 Countries</td>
</tr>
<tr>
<td>Government Effectiveness, World Governance Indicators</td>
<td>2017</td>
<td>81/209 countries</td>
<td>2020</td>
<td>88/214 countries</td>
<td>Top 30 Countries</td>
<td>Top 10 Countries</td>
</tr>
<tr>
<td>Environmental Performance Index</td>
<td>2018</td>
<td>115/127 countries</td>
<td>2020</td>
<td>110/180 countries</td>
<td>Top 40 Countries</td>
<td>Top 20 Countries</td>
</tr>
</tbody>
</table>

### Analysis of the Main International Indicators

Regarding Oman’s performance in the main international indicators during 2020 and 2021, there is an improvement in the ranking of the Sultanate of Oman in the Global Innovation Index, reaching 76 in 2021 compared to 84 in 2020. Also, Oman achieved a higher ranking in the Environmental Performance Index in 2020 compared with 2018. On the other hand, it declined in the ranking of Government Effectiveness, World Governance Indicators, going back to 88 in 2020, compared to 81 in 2017. This happened before the restructuring of the government bodies in the second half of 2020, which might have a positive impact on the indicator in the future.

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Analysis of the Main National Indicators

The national indicators witnessed an improvement in general during 2021 as a result of the gradual recovery of economic activities after Covid-19 pandemic, in addition to the rising oil prices, which in turn increased the oil revenues and the economic activities depending on it. Regarding the non-oil sector contribution to GDP, the indicator shows a decline due to the surge in oil activities contribution.

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Education, Learning, Scientific Research and National Capabilities

Strategic Direction: Inclusive Education, Lifelong Learning, and Scientific Research that Lead to a Knowledge-based Society and Competitive National Talents

This priority mainly aims at building qualified and competitive national capacities, making optimal use of the outputs of scientific research, and creating an integrated and sustainable system to support innovation.

Global Innovation Index

A composite index that measures innovation performance in countries through innovation inputs and outputs. Innovation inputs are measured based on institutions, workforce, infrastructure, market development and business development, whereas innovation outputs are measured based on knowledge, technology and creativity outputs.

### 2030 Target

Value > 41.19 or Top 40 countries

### 2040 Target

Value > 51.98 or Top 20 countries

Sultanate of Oman Rank/Value

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>30.98</td>
<td>80</td>
</tr>
<tr>
<td>2020</td>
<td>26.5</td>
<td>84</td>
</tr>
<tr>
<td>2021</td>
<td>29.4</td>
<td>76</td>
</tr>
</tbody>
</table>

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Well-being and Social Protection

Strategic Direction: A Decent and Sustainable Life for All

This priority aims mainly at creating an effective social protection system, and improving the standard of living and welfare for all segments of society.

Youth Development Index

An indicator that measures youth performance and development in several main areas, namely education, health, job opportunities, political participation, and civil engagement.

<table>
<thead>
<tr>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value &gt; 0.717 or</td>
<td>Value &gt; 0.737 or</td>
</tr>
<tr>
<td>Top 40 countries</td>
<td>Top 30 countries</td>
</tr>
</tbody>
</table>

Sultanate of Oman Rank/Value

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.611</td>
<td>99</td>
</tr>
<tr>
<td>2020</td>
<td>0.769</td>
<td>52</td>
</tr>
</tbody>
</table>

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
**GDP per Capita (constant prices)**

An indicator that calculates the gross domestic product (GDP) at constant prices over the population.

<table>
<thead>
<tr>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>40% increase</td>
<td>90% increase</td>
</tr>
</tbody>
</table>

**Sultanate of Oman Rank/Value**

(Reference Value)

(1) The base year of calculating the GDP was updated (2018) in the Statistical Yearbook 2021

**Remark:** Considerable improvement compared to 2020 after the rise of GDP in 2021.

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Economic Leadership and Management

Strategic Direction: A Dynamic Economic Leadership with Renewed Capabilities Operating within an Integrated Institutional Framework

This priority mainly aims at creating an effective economic leadership that is characterized by integrative and rapid decision-making and that keeps abreast of economic and social changes.

Real GDP Growth

A general indicator that calculates the annual percent change in GDP growth.

2030 Target
5% annually

2040 Target
5% annually

Sultanate of Oman Rank/Value

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Economic Diversification and Fiscal Sustainability

Strategic Direction: A Diversified and Sustainable Economy that is Based on Technology, Knowledge and Innovation, Operates within Integrated Frameworks, Ensures Competitiveness, Embraces Industrial Revolutions and Achieves Fiscal Sustainability.

This priority mainly aims at building a diversified and robust economy, and achieving fiscal and economic sustainability.

Total Public Expenditure to GDP Ratio

An indicator that measures the ratio of the general government expenditure to the GDP annually.

<table>
<thead>
<tr>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>34%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Sultanate of Oman Rank/Value

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.

**Priority: Economic Diversification and Fiscal Sustainability**

**Gross Debt to GDP Ratio**

An indicator that measures the cumulative gross debt to gross domestic product (GDP).

<table>
<thead>
<tr>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not to exceed 60%</td>
<td>Not to exceed 60%</td>
</tr>
</tbody>
</table>

**Sultanate of Oman Rank/Value**

*Initial numbers for 2020 from Central Bank of Oman report for 2020*

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Governance of State’s Administrative Bodies, Resources and Projects

Strategic Direction: Flexible, Innovative and Future-Shaping Administrative Bodies Operating with Good Governance

This priority mainly aims at improving the efficiency of the state’s administrative bodies and the quality of government work and projects.

**e-Government Development Index**

An indicator that gauges the development of government performance through digital government transformation. It has three main pillars: electronic services, communications infrastructure, and human resources.

<table>
<thead>
<tr>
<th>2030 Target</th>
<th>2040 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value &gt; 0.8301 or Top 20 countries</td>
<td>Value &gt; 0.8783 or Top 10 countries</td>
</tr>
</tbody>
</table>

**Sultanate of Oman Rank/Value**

2018: 63, Value: 0.6846
2020: 50, Value: 0.7749

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Priority: Governance of State’s Administrative Bodies, Resources and Projects

Rule of Law, World Governance Indicators

An explanatory indicator that measures people’s confidence in: the government’s implementation of laws - the quality and application of contracts - property rights - the police system - the judiciary system and their impression of the level of crime and violence in a country.

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>0.46</td>
<td>67</td>
</tr>
<tr>
<td>2019</td>
<td>0.55</td>
<td>61</td>
</tr>
<tr>
<td>2020</td>
<td>0.62</td>
<td>60</td>
</tr>
</tbody>
</table>

2030 Target: Value > 1.2 or Top 30 countries

2040 Target: Value > 1.8 or Top 10 countries

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Environmental Performance Index

An indicator that determines the extent to which countries are committed to global environmental policies and their approach to an environmentally sustainable future. Under this index, there are 32 sub-indicators that measure biodiversity, fluids, air quality, climate, energy, water, sanitation, fisheries, water resources, and exposure to environmental risks.

**Sultanate of Oman Rank/Value**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>51.32</td>
<td>127</td>
<td>38.5</td>
<td>110</td>
</tr>
</tbody>
</table>

*The report does not include all updates related to the indicators, as the publishing of some indicators comes later in the year.*
Efforts to Achieve Oman Vision 2040

The government’s efforts to achieve Oman Vision 2040 are divided across two major tracks:

First:

The general track, which includes programs, initiatives, and projects in various national priorities.

Second:

The national programs track, which is of an acceleration nature, and designed in accordance with the intensive follow-up methodology, to achieve Oman Vision 2040’s national priorities.
Efforts in the National Priorities

Tireless efforts are being made to achieve the national priorities of Oman Vision 2040, whether by royal decrees, directives and instructions, or initiatives and projects, or regulations and laws, as briefly detailed below:

**Priority: Education, Learning, Scientific Research and National Capabilities**

- Establishment of the University of Technology and Applied Sciences (UTAS).
- Royal directives on the application of vocational and technical education in post-basic education.
- Initiatives to encourage investment in the education sector.
- Public-Private Partnership to build schools.
- Initiatives to develop national capabilities with the skills required in the investment and economic fields.
Priority: Health

- Initiatives to support private investment in health sector.
- Project to enhance ICV in the health sector.

Priority: Well-being and Social Protection

- Social Protection Initiative
- Establishment of the Job Security System.
- Establishment of the National Fund for Emergency.
- Providing appropriate financial support to Omani women’s associations and disability rehab centers.

Priority: Citizenship, Identity, National Heritage and Culture

- Initiatives to encourage investment in the sports/youth/art sectors
### Priority: Economic Leadership and Management

- Topics of programs and initiatives related to economic and financial priorities of Oman Vision 2040 are discussed by the Council of Ministers’ Financial and Economic Committee.

### Priority: The private Sector, Investment and International Cooperation

- Launching the first package of the projects and initiatives of the National Program for Investment and Export Development “Nazdahir”.
- Implementation of a number of government projects/services within PPP framework.

### Priority: Labor Market and Employment

- Initiatives under development within the National Employment Program "Tashgheel".
- Royal directives to finance entrepreneurship programs and SMEs.
Priority: Economic Diversification and Financial Sustainability

- Several initiatives and projects have been developed within the National Program for Fiscal Balance.
- Developing a program to enable economic diversification sectors.
- Creating an integrated system for specifications and standards.

Priority: Development of governorates and Sustainable Cities

- Initiatives to develop Musandam Governorate.
- Al Buraimi Governorate Development Project.
- Initiatives to promote investment in the real estate development and municipal services sectors.
- Royal directives to raise the financial allocations for the Governorates Development Program from OMR 10 million to OMR 20 million for each governorate.
Priority: Governance of the State’s Administrative Bodies, Resources and Projects

- Royal decrees related to the restructuring of the state’s administrative bodies.
- Royal directives to establish a unit to support and make decisions.
- Royal directives to set up an independent unit reporting to HM the Sultan to measure the performance of government institutions.
- Individual Performance Measurement and Institutional Excellence System (Ejada).
- Initiatives to simplify and digitize government services.
- A project to privatize some government companies.
- Initiative to develop the Tender Board to include (Local Content/Strategic Procurement/Follow-up of Government Projects/Tenders).
- The annual plans program for the entities and the development of their performance indicators.
- Launching the National Program for Digital Economy.

Priority: Legislative, Judicial and Oversight System

- Initiatives to improve and streamline government procedures related to the legislative and judicial system.
Priority: Environment and Natural Resources

- Develop policies and procedures to reduce carbon dioxide emissions.
- Projects to utilize renewable natural resources to produce energy.
- Managing the waste sector and transforming it into an economic sector.
- Initiatives to promote food security (Food Security Lab Outcomes).
- Royal directives to establish Khor Kharfout Archaeological Reserve in Dhofar Governorate.
- Green Hydrogen projects.
National Programs

National programs are short or medium-term comprehensive programs, that are developed based on the stage requirements and the objectives of the five-year development plans in order to fulfill Oman Vision 2040’s targets, with clear governance that achieves integration among stakeholders. These programs are regarded as a key driver of Oman Vision 2040’s national priorities, as each national program encompasses a set of initiatives and projects that fall within the majority of the pillars of Oman Vision 2040 and serve several priorities. The implementation of the national programs is monitored by the relevant entities in each sector.

Given the conditions and challenges that have arisen since the vision’s inception, such as public debt inflation, Oman’s declining credit ratings, low and volatile oil prices and the effects of Covid-19 pandemic, the unit decided that the first phase of the vision’s lifespan should be focused on financial and economic sustainability, in accordance with the targets of the 10th Five-Year Development Plan (2021-2025). As a result, the unit submitted to His Majesty -may Allah protect and preserve him- a proposal to implement two national programs: the National Program for Financial Sustainability, and the National Program for Investment and Export Development, both of which His Majesty blessed and praised.
The National Program for Financial Sustainability
This program aims at developing the finance sector through introducing initiatives and projects that develop and promote the role of the banking sector and financing solutions, in addition to promoting the role of Capital Market in finance and investment, in order to achieve integration between financial, monetary, and economic policies.

Implementing entity: Ministry of Finance

The National Employment Program (Tashgheel)
This program aims at managing the job seekers’ file with the aim of creating sustainable employment solutions and job opportunities for Omanis.

Implementing entity: Ministry of Labour

- The national programs, their timeline, initiatives and projects are subject to continuous review and assessment.
National Programs

The National Program for Investment and Exports Development (Nazdaher)
This program aims at uniting and strengthening government efforts to attract private investments, to be one of the drivers of supporting the national economy. It focuses on promoting and enabling the role of the private sector in leading the economic development through creating an attractive investment environment.

Implementing entity: Ministry of Commerce, Industry and Investment Promotion

Government Digital Transformation Program
This program aims at improving government entities’ efficiency and discovering innovative solutions that are efficient, transparent, and creative, as well as contributing to improving the work environment through the simplification of business models and developing channels and tools to optimize the benefit of rapid technology changes.

Implementing entity: Ministry of Transport, Communications and Information Technology

* The Government Digital Transformation Program is one of the implementation programs under the National Program for Digital Economy

• The national programs, their timeline, initiatives and projects are subject to continuous review and assessment.
To access the main version of the Annual Report 2021, please visit the link below:
www.oman2040.om

@2040_om