

## The Sultanate of Oman, 16.06.2020

Country	Gov measures for Swiss subsidiaries in SBH/TP country	Economic Outlook 2020	Movement of goods	Movement of people
Switzerland	✓			

Red = critical situation / expected GDP decline bigger than 5% compared to previous year

Orange = difficult situation / expected GDP decline up to 5% compared to previous year

Green = normal or almost normal situation / remaining GDP growth compared to previous year

# 1. General Situation

### DESCRIPTION OF THE CURRENT SITUATION

- Please see below the link:  
Tarassud App: <https://t.co/1b926xA3lj?ssr=true>  
Ministry of Health: <https://www.moh.gov.om/en/corona>

### GOVERNMENT MEASURES

- Oman has introduced a number of monetary and stimulus packages. The central bank cut the main interest rates by 75 basis points, and measures have been introduced to ensure easier lending to sectors that could be affected by the pandemic, including healthcare, travel and tourism. Although these measures will help ease some of the short-term strains, the current crisis will also have longer-term economic and political consequences. In particular—given the country's mounting debt burden—the government will face the challenge of persuading a reluctant population to accept the need for a fresh round of fiscal austerity. This will be a big test for Oman's new sultan.
- Pursuant to the Royal directives of His Majesty Sultan Haitham Bin Tarik to foster the Sultanate's sustainable and enhanced economic growth and development march, His Majesty Sultan has issued his Royal orders to execute developmental projects to the tune of OMR300 million.

### ECONOMIC OUTLOOK (ECONOMIC DEVELOPMENT, EFFECTS ON INDUSTRIES)

- Falling oil prices and the impact of reduced liquidity and epidemic containment measures will lead to a real GDP contraction of 2.1% in 2020. Activity will gradually pick up in 2021-24 as oil prices recover and pro-business reforms boost investment. After deflation of 0.3% in 2020, average inflation will pick up to 2.3% in 2021 as the government finally introduces value-added tax (VAT). Inflation will edge up to an average of 2.6% a year in 2022-24 as domestic demand increases. The current-account position will remain under heavy pressure in the near term, but as oil prices subsequently recover and non-oil exports also rise, we expect the deficit to narrow from 19.5% of GDP in 2020 to 2% of GDP in 2024.

## 2. Movement of goods

- There are no restrictions on the movement of goods.

## 3. Movement of people

### **RESTRICTIONS ON ENTRY FROM SWITZERLAND**

- Airports are currently not operational for any commercial flights.

### **RESTRICTIONS ON MOBILITY WITHIN THE COUNTRY**

- Movement is not restricted, but government is asking citizens to go out only for extreme necessity.
- Standalone shops opened on 10.06.2020, expect for tailors, saloons, spa, gyms and entertainment activities.
- Malls are still closed, but only hypermarkets and pharmacies inside malls are allowed to open.
- Residents are requested to wear face masks and to keep social distancing in all public spaces.
- Lockdown for Jabal Akhdar, Jabal Shams, Masira and Zofar areas to avoid tourism/gatherings as of 13/6 until 3/7.