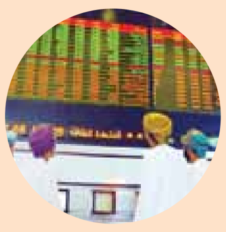
BIDEN BLOCKS SALE
Outgoing US President Joe Biden has blocked a controversial $14.9 billion (roughly €14.4 billion) deal which would have seen the beleaguered US Steel company sold to Japan's Nippon Steel, citing concerns that it could hurt national security. - B2

MARKET
BUSINESS & FINANCE



MSX RECORDS GAINS
The Muscat Stock Exchange (MSX) recorded gains in its market value last year estimated at about OMR3.8 billion, benefiting from the listing of OQ Exploration and Production Company and OQ Basic Industries.

Estimated revenues of Oman's 2025 budget exceed OMR11bn

Minister of Finance said that the government continues to improve public finance indicators and achieve financial sustainability, and is committed to maintaining the level of spending on basic services

MUSCAT: Sultan bin Salim Al Habsi, Minister of Finance stated that the 2025 budget was prepared according to an approach that enables the government to maintain continued financial, economic and social stability.

He affirmed that the government continues to improve public finance indicators and achieve financial sustainability, and is committed to maintaining the level of spending on basic services.

He confirmed that the government continues to provide subsidy for electricity, water, wastewater, fuel, basic food commodities, and others, in addition to social and insurance programs and benefits.

This was unveiled during the media briefing on the 2025 budget held by the Ministry of Finance in Muscat. The minister said in his speech that the estimates of the state's general budget for the year 2025 were developed following joint work with the competent authorities of the State's Administrative Apparatus.

He added that the estimates were also based on key factors and data, with the total public revenues estimated at about OMR11.180 billion, based on an average oil barrel price of OMR60, an increase of 1.5 percent over the estimated revenues for 2024.

Al Habsi pointed out that oil revenues constitute 52 percent of the total revenues, while the gas sector's contribution is 16 percent, and non-oil revenues represent 32 percent of total public revenues.

The minister added that with regard to public spending, it was estimated in the state's general budget for the year 2025 at an amount of OMR11.800 billion, an increase of about OMR150 million over the public spending approved in the 2024 budget.

He pointed out that according to these estimates, the 2025 budget included an estimated deficit of OMR620 million, which will be financed by borrowing OMR220 million, in addition to withdrawing OMR400 million from reserves.

Financial allocations

The Minister of Finance said that the state's general budget for the year 2025 included financial allocations for social services amounting to about OMR5.004 billion, distributed across education, health, housing and social welfare sectors, an increase of 4.2 percent over the allocations approved in 2024.

In response to journalists' questions, the minister announced that funds have been allocated in the 2025 budget to promote 2015-2016 senior employees, adding that 4,000 jobs will be available in the education sector in 2025.

Al Habsi added that in continuation of the policy of curbing inflation and keeping it at low levels, the State's General Budget for the fiscal year 2025 included financial allocations for subsidy amounting to OMR1.580 billion, of which OMR577 million allocated to the Social Protection Scheme, OMR520 million allocated to subsidy for the electricity sector, and OMR194 million allocated to subsidy for the water and wastewater sector.

Additionally, OMR82 million allocated to subsidy for the transportation sector, OMR73 million allocated to support the interests of development and housing loans, and an amount of OMR59 million to support the waste sector, while the remaining subsidy allocations are distributed to support petroleum products, food commodities, among others.

The Minister of Finance explained that in order to enhance decentralised development in the governorates in accordance with the Royal Directives in this regard, an amount of OMR20 million was allocated to each governorate during the years of the 10th five-year plan, with a total of OMR220 million, the total amount actually committed from the approved amount has reached OMR147 million, at a rate of 68 percent until the end of 2024.

The minister affirmed that the State's General Budget for the year 2025 gave importance to the Development Bank's continued financing of value-added projects by raising the loan portfolio and increasing the level of lending by approving an amount of OMR80 million to raise the bank's capital for the year 2025.

In this regard, he pointed out that the total number of outstanding loans at the Development Bank until the end of 2024 stands at more than 22,000 loans. He added that the bank's portfolio until November 2024 stood at more than OMR277 million, an increase of 34 percent over the size of the portfolio at the end of June 2023.

The Minister of Finance further said that with regard to the (Iskan) programme, which was launched in partnership with Oman Housing Bank during the past year, the bank's lending portfolio grew by 23 percent by the end of December 2024 compared to December 2022, as the size of the portfolio stood at more than OMR855 million.

He explained that the approved data indicate the gross domestic product (GDP) at constant prices grew by 1.9 percent until the end of the third quarter of 2024, recording about OMR28.146 billion, compared to OMR27.632 billion at the end of the same period in 2023.

Regarding inflation, the minister said that data from the National Centre for Statistics and Information (NCSI) indicate that the inflation rate in the Sultanate of Oman until November 2024 stood at about 0.6 percent, compared to about 1.1 percent for the same period in 2023. The continued low inflation rates are attributed to government policies to control prices through several measures, including support for petroleum products, electricity and water support, as well as support for the prices of basic commodities.

As for foreign direct investments (FDI), the minister explained that as a result of the government's efforts to streamline procedures and adhere to the programmes it announced over the past years, from the beginning of the current five-year plan, preliminary data shows that the volume of FDI in the Sultanate of Oman stood at OMR26.677 billion by the end of the third quarter of 2024, an increase of 16 percent compared to the same period in 2023.

After that, Abdullah bin Salim Al Harthy, Undersecretary of the Ministry of Finance, presented a visual presentation in which he highlighted the prominent financial, economic and monetary indicators and the preliminary results of the State's General Budget for the fiscal year 2024 and the 2025 budget, as well as potential financial and economic risks, and projects and initiatives to develop the state's public finance management. -ONA

MILESTONE

India achieves $1 trillion FDI

NEW DELHI: A nearly 26 per cent rise in FDI to $42.1 billion during the first half of the current fiscal year 2024-25 helped India's gross foreign direct investment (FDI) inflows reach an impressive $1 trillion since the start of this century. India has achieved a remarkable milestone in its economic journey, with gross foreign direct investment (FDI) inflows reaching an impressive $1 trillion since April 2000.

This landmark achievement was helped by a nearly 26 per cent rise in FDI during the first half of 2024-25.

Ministry of Commerce and Industry in a statement asserted that such growth reflects India's growing appeal as a global investment destination. "FDI has played a transformative role in India's development by providing substantial non-debt financial resources, fostering technology transfers, and creating employment opportunities."

"Initiatives like 'Make in India', liberalised sectoral policies, and the Goods and Services Tax (GST) have enhanced investor confidence, while competitive labour costs and strategic incentives continue to attract multinational corporations," the Commerce Ministry said. Over the last decade (April 2014 to September 2024), total FDI inflows amounted to $709.84 billion, accounting for 68.69 per cent of the overall FDI inflow in the past 24 years. To promote FDI, the government has put in place an investor-friendly policy, wherein most sectors, except certain strategically important sectors, are open for 100 per cent FDI under the automatic route. -ANI

CONFERENCE

World Future Energy Summit 2025 set to shine light on Middle East's sustainable cities leadership

ABU DHABI: The UAE is spearheading this drive with forward-thinking projects such as Masdar City, a hub for clean technologies and sustainable design, and Zayed International Airport, which integrates smart infrastructure to enhance efficiency. Meanwhile, Saudi Arabia's giga projects are redefining the urban landscape with smart, eco-friendly innovations.

Mohamed Al Breiki, Executive Director of Sustainable Development at Masdar City, stated, "Masdar City has been pioneering sustainable urban development for over 15 years, embodying the UAE's commitment to a net-zero future. Through several net-zero energy developments and innovative projects such as Masdar City Square and The Link, we showcase our dedication to innovation and sustainability. The Masdar City Free Zone provides a seamless environment for diverse business activities, while its high-impact industry clusters promote collaboration and innovation across key industries like AI, renewable energy, life sciences, Agri-tech, space technology, and smart mobility."

Progress

These advancements will take centre stage at World Future Energy Summit 2025, hosted by Masdar to run at the Abu Dhabi National Exhibition Centre (ADNEC) from January 14-16 as part of Abu Dhabi Sustainability Week 2025 (ADSW). The Summit will highlight the region's progress in transformative urban development and the power of smart cities in its dedicated Sustainable Cities conference and exhibition.

The conference is held against a backdrop of unparalleled regionwide investment in smart cities. Research house Frost & Sullivan says the UAE and Saudi Arabia will invest a staggering US$50 billion in smart city projects by 2025 as the region looks for innovative solutions to better manage energy resources.

The UAE capital Abu Dhabi stands out as a regional beacon of innovation, characterised by its industry-leading Estidama Pearl Rating system and building design methodology, which is part of Abu Dhabi's Economic Vision 2030. It is recognised among the Top 10 Smart Cities in the 2024 Smart City Index — the only Middle Eastern city on the list. In Dubai, the smart city agenda is advancing with the latest development, Dubai Walk, a visionary initiative to transform the city into a pedestrian-friendly destination with an integrated network of walkways aimed at increasing pedestrian mobility to 25 per cent by 2040.

Leen Al Sebai, General Manager of RX Middle East and Head of the World Future Energy Summit, commented, "The Sustainable Cities Conference will focus on progress being made while driving the innovation and partnerships necessary for future-ready urban environments." -WAM

SIGNIFICANT MILESTONE

Green Tech Mining & Services Achieves Sustainability Milestone with Austrian Ecolabel Certification

MUSCAT: Green Tech Mining & Services LLC, a joint venture between Oman Mining Company and Austria-based BPG Precious Metal Storage Plc (BPG), has achieved a significant milestone in its journey towards environmentally responsible mining practices. BPG, the parent company, has been awarded the prestigious Austrian Ecolabel by Austria's Federal Ministry for Climate Protection, Environment, Energy, Mobility, Innovation, and Technology (BMK). This recognition sets Green Tech Mining & Services position as a pioneer in aligning its mine tailings remediation project in Oman with global ecological and social sustainability standards.

The Austrian Ecolabel for Sustainable Financial Products validates the company's integration of ecological and social considerations in its operations, in line with the United Nations Sustainable Development Goals (SDGs). This certification guarantees adherence to rigorous standards for projects financed through Green Bonds, with independent audits reinforcing a commitment to transparency and accountability.

Adding to this momentum, BPG Precious Metal Storage Plc, a company with their focus in sustainable practices within the mining industry, has announced the issuance of a Green Bond aimed at fully financing their Oman project that aligns with its environmental and sustainability goals. Known for its innovative approaches to tailings remediation, sustainable resource recovery, and the rehabilitation of legacy mining sites, BPG remains persistent in its commitment to responsible mining and adherence to global environmental standards.

The Green Bond, developed under the guidelines of the Green Bond Principles (GBP) by the International Capital Market Association (ICMA), reflects BPG's dedication to transparency, accountability, and ecological stewardship. The bond aligns with the EU Taxonomy's environmental objectives and Paris Climate Agreement goals, targeting key impact areas such as pollution prevention, sustainable water management, climate change adaptation, and environmentally sound resource management.

"We are honoured to lead the way in sustainability as the first Company in the GCC to achieve this prestigious recognition," said Ernst Grissemann, Chairman of Green Tech Mining & Services LLC. "This award highlights our dedication to responsible financial investment through Green Bonds, marking the world's first one-of-a-kind mining remediation project to leverage such funding while prioritizing social well-being and environmental preservation."

As a key player to support Oman's mining industry, Green Tech Mining & Services is setting new benchmarks in resource recovery with sustainability at its core. The company is set to launch the first phase of its remediation project for gold and copper cathode production in January 2025, using advanced technologies to recover valuable resources from historical mine tailings while minimizing environmental impact.

The Austrian Ecolabel certification not only highlights Green Tech Mining & Services' leadership in sustainable mining but also sets a benchmark for advancing sustainability in Oman's mining sector. By adhering to global best practices, the company along with its stakeholders fosters ecological responsibility while contributing to the nation's broader development goals.