



Fiscal Performance

Monthly Bulletin Published by the Ministry of Finance

As of end-September 2021		As of end-September 2022
957	Average of Daily Oil Production (Thousand bbl)	1,056
57	Average Oil Price (US\$ per barrel)	94
3,909	Net Oil Revenue (RO Million)	5,361

Fiscal Performance at the End of September 2022 RO Million

2021		2022	Change (%)
7,368	Revenue	10,567	43.4%
8,398	Expenditure	9,444	12.5%
(1,030)	Deficit/Surplus	1,123	-

Preliminary Data

Public Revenue



At the end of September 2022, public revenue amounted to RO 10,567 million, up by 43.4% compared to RO 7,368 million registered over the same period in 2021. This is mainly due to an increase in oil price and production.

RO Million

Statement (As of end-September)	2021	2022	Change (%)
Net Oil Revenue	3,909	5,361	37.1%
Gas Revenue	1,422	2,741	92.8%
Current Revenue	2,004	2,450	22.3%
Capital Revenue & Repayments	33	15	(54.5%)
Total	7,368	10,567	43.4%

Hydrocarbon Revenue

By the end of September 2022, hydrocarbon revenue increased to RO 8,102 million, up by 51.9% when compared to RO 5,331 million registered over the same period in 2021. Such increase is supported by higher average oil price of US\$ 94 per barrel, as well as an increase in oil crude production to 1,056 thousand barrels per day.

Current Revenue

By the end of September 2022, current revenue increased by 22.3% to RO 2,450 million when compared to RO 2,004 million over the same period in 2021.

Public Spending



By the end of September 2022, public spending increased by 12.5% to RO 9,444 million, up by RO 1,046 million when compared to the same period in 2021.

Development Expenditure: The development expenditure amounted to RO 657 million, representing 60% of total development spending, i.e. RO 1100 million, allocated for 2022.

Fiscal Performance (As of end-September 2022)

Current Expenditure: By the end of September 2022, the current expenditure increased by 10.1% to RO 7,070 million when compared to the figures registered over the same period in 2021.

Contributions and Other Expenses: Total contributions and other expenses increased to RO 1,434 million compared to RO 578 million registered over the same period in 2021. By the end of September 2022, oil products and food commodities subsidies amounted to RO 563 million and RO 18 million, respectively. Additionally, an amount of RO 150 million allocated for future debt obligations budget-item.

Deficit / Surplus



At the end of September 2022, the budget achieved a surplus of RO 1,123 million as compared to a deficit of RO 1,030 million over the same period in 2021.

More than RO 827 Million

paid to private sector by the end of Q3-2022



At the end of third quarter 2022, the Ministry of Finance paid the private sector an amount of RO 827.47 million. This reflects the payment vouchers received through the e-financial system, and which have completed the documentary cycle.

National Assets Register

It is an integrated central system that takes full account of government assets and helps to draft a strategy to ensure a centralized management of the assets, as well as to maximize their efficiency and returns. This can be achieved through the optimal use of such assets in a way that generate more financial resources for the State budget.

Objectives



Register and determine the actual value of Government assets.



Generating more financial resources for the State budget.



Centralize Government assets management and enhance its efficiency.



Better service delivery



Identify the government assets for privatization and public-private partnership (PPP).

Economic Impacts

01

Build a database that includes all details of government assets according to sector, location, type and ownership.

02

Activate transparency and accountability on the mechanism of asset planning, acquisition, use and disposal.

03

Enhancing Government asset database to improve government decision-making in a way that would contribute in enhancing the effectiveness and efficiency of public sector.

04

Effective and efficient management of government assets in line with best international practices

05

Providing annual reports on asset acquisition and disposal.

Assets included in the National Assets Register

The register will include details of different assets owned by the Government of Oman such as:

▶ Tangible assets:

- Rights to use and own land.
- Buildings and construction.
- Machines and equipment.
- Furniture and office equipment.
- Transport assets.
- Heritage assets.
- Construction in progress.
- Information technology, computer and communications equipment.

▶ Financial assets.

▶ Oil and gas reserves.

▶ Public-private partnership projects

▶ Intangible assets:

- Patent and intellectual property rights.
- Brands.
- Software

▶ Real estate investments:

- Land use and ownership rights.
- Buildings and construction.
- Heritage assets

▶ Assets transferred to the Government of Oman under Energy Production Sharing Agreements.

▶ Assets owned by the Government but operated by Oman Investment Authority' companies

Stages of implementation

Feasibility study

Develop relevant policy, procedures and organizational structure

Counting/listing of government assets first wave:

Ministry of Finance, Ministry of Health, Muscat Municipality

Launch of the electronic system of the National Assets Register

Completion of the counting/listing of government assets

Global Economy



According to International Monetary Fund's World Economic Outlook report (October, 2022), global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The IMF predicts the global growth to slow from 6% in 2021 to 3.2% in 2022 and 2.7% in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

On the other hand, the IMF forecasts global inflation to rise from 4.7% in 2021 to 8.8% in 2022 but to decline to 6.5% in 2023 and to 4.1% by 2024.

Global Oil Market



According to U.S Energy Information Administration (EIA) report (October, 2022), the Brent crude oil spot price is projected to average US\$ 93 per barrel in the fourth quarter of 2022 and US\$ 95 per barrel in 2023. EIA forecasts global consumption of liquid fuels will rise by an average of 2.1 million barrels per day for all of 2022 and by an average of 1.5 million barrels per day in 2023. It also stated that OPEC crude oil production is forecasted to fall – after the announcement of OPEC+ to cut production by 2 million barrels per day - from an average of 29.6 million barrels per day (b/d) in September to an average of 28.6 million per day over fourth quarter of 2022 and first quarter of 2023.

National Economy



The International Monetary Fund (IMF) has projected in its World Economic Outlook report (October, 2022) that Oman's real GDP will grow from 3% in 2021 to 4.4% and 4.1% in 2022 and 2023, respectively. The IMF also predicts that the current account balance will achieve positive growth in 2022 after declining to -6.1% in 2021 as a result of the COVID-19 pandemic and its implications on the global economy. The IMF expects the current account balance to register 6.2% and 3.6% in 2022 and 2023, respectively.