



Fiscal Performance

Monthly Bulletin Published by the Ministry of Finance

As of end- October 2021		As of end- October 2022
960	Average of Daily Oil Production (Thousand bbl)	1,056
59	Average Oil Price (US\$ per barrel)	95
4,443	Net Oil Revenue (RO Million)	6,193

Fiscal Performance at the End of October RO Million

2021		2022	Change (%)
8,333	Revenue	11,862	42.3%
9,339	Expenditure	10,654	14%
(1,007)	Deficit/Surplus	1,208	-

Preliminary Data

Fiscal Performance (As of end-October 2022)

Public Revenue

At the end of October 2022, public revenue amounted to RO 11,862 million, up by 42.3% when compared to RO 8,333 million registered over the same period in 2021. This is due to an increase in oil price and production.

Statement (As of end-October)	2021	2022	Change (%)
Net Oil Revenue	4,443	6,193	39.4%
Gas Revenue	1,698	3,051	79.7%
Current Revenue	2,129	2,594	21.8%
Capital Revenue & Repayments	63	24	(61.9%)
Total	8,333	11,862	42.3%

RO Million

- **Net Hydrocarbon Revenue:** By the end of October 2022, hydrocarbon revenue amounted to RO 9,244 million, up by 50.5% when compared to RO 6,141 million registered over the same period in 2021. Such increase is supported by higher average oil price of US\$ 95 per barrel, as well as an increase in oil crude production to 1,056 thousand barrels per day.
- **Current Revenue:** At the end of October 2022, current revenue increased by 21.8% to RO 2,594 million when compared to RO 2,129 million over the same period in 2021.

Public Spending

At the end of October 2022, public spending amounted to RO 10,654 million, up by RO 1,315 million, i.e. 14% when compared to the same period in 2021.

Development Expenditure: The development expenditure amounted to RO 765 million, up by 10% when compared to the same period in 2021. Such amount represents 70% of total development spending, i.e. RO 1100 million, allocated for 2022.

Current Expenditure: By the end of October 2022, the current expenditure amounted to RO 7,879 million, i.e. 9.5% when compared to the same period in 2021.

Contributions and Other Expenses: Total contributions and other expenses increased to RO 1,527 million compared to RO 668 million registered over the same period in 2021. By the end of October 2022, oil products and electricity subsidies amounted to RO 610 million and RO 450 million, respectively. Additionally, a total amount of RO 167 million allocated for future debt obligations budget-item.

Deficit / Surplus

At the end of October 2022, the budget achieved a surplus of RO 1,208 million as compared to a deficit of RO 1,007 million over the same period in 2021.



Fee Setting Policy Handbook is a clear and unified framework to set the fee of public services so as to contribute towards enhancing business environment, empowering private sector, and attracting further investment.

Objectives

-  **Support** economic development and fiscal sustainability in line with Oman Vision 2040.
-  **Improve** fee setting process in order to be comprehensive by evaluating all phases of “customer journey” and strike a balance between fee and quality of the service delivered.
-  **Facilitate** beneficiaries’ access to public services, and streamline the procedures and address the duplication of costs.

Outcomes

The total number of reduced, canceled, and merged fees since the introduction of Fee Setting Policy Handbook up to now:

845 Fees

First Phase

Total number of fees

557



30 fees	Ministry of Commerce, Industry & Investment Promotion
29 fees	Ministry of Heritage and Culture
09 fees	Ministry of Labour
489 fees	Municipal Sector

Second Phase

Total number of fees

288



15 fees	Supreme Judicial Council (Notary Public)
127 fees	Ministry of Commerce, Industry & Investment Promotion
30 fees	Environment Authority
104 fees	Municipal Sector
12 fees	Civil Defence & Ambulance Authority

Global Economy

According to the recent OECD Economic Outlook report (November, 2022), the global economy is facing mounting challenges while inflation is at higher level. Russia-Ukraine conflict has pushed up prices substantially, especially for energy, adding to inflationary pressures at a time when the cost of living was already rising rapidly around the world. OECD projects global GDP to be 3.1% in 2022 and to slow further to 2.2% in 2023. However, OECD expects global growth to be 2.7% in 2024, supported by initial steps to ease policy interest rates in several countries.

Global Oil Market

According to U.S Energy Information Administration (EIA) report (November, 2022), the Brent crude oil spot price averaged US\$ 93 per barrel in October. It is forecasted that Brent price will average near that price through the first half of 2023. EIA predicts Brent crude oil price to rise from an average of US\$ 94 per barrel in H1-2023 to an average of US\$ 98 per barrel in Q4-2023.

National Economy

In a recent report issued in November 2022, S&P Global Ratings has upgraded Oman's credit ratings from "BB-" to "BB" with a stable outlook. The agency indicated that the significant improvement in Oman's fiscal performance and balance of payments positions was driven by ongoing fiscal consolidations and higher oil prices. It is worth to note that the S&P Global Ratings had already upgraded Oman's credit ratings to "BB-" with a stable outlook in its report issued in April 2022.

The improvement of Oman's credit ratings during the second half of 2022

