



SMEs in Oman

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Companies registered with:

- MOCI 280,000
- Tax department 55,000
- PASI 12,000



Typical set up of SME

Registered in the name of Omani National (not involved in the business) and operated fully by an expatriate (financed and managed).

Omani National get a token "Sponsorship fee", all profit / loss goes to the expatriate.



Main SME Clusters in Muscat

- There are atleast 2,000 companies on Honda Road/ Walja / Wadi Kabir
- Ghala Industrial Area
- Mabella Industrial Area



Honda Road SME

been operating for more than 30 years

Estimated average net earnings

@ RO 1,000 pm

Total earnings RO 360,000 in 30 years

Approximately 500 companies on
Honda Road, cumulative 30 years
earnings is RO 180 million

Sponsorship of say RO 200 pm,
30 years cumulative sponsorship
fees is RO 36 million



SMEs in Oman produces high quality items



16/06/2014 07:45

**Copy of Cartier bracelet
manufactured in Walja,
Oman**



07/06/2014 03:17

SMEs in Oman produces high quality items



Wrought iron bedroom set manufactured in Mabella, Oman



SMEs in Oman produces high quality items



**Rosewood side table
manufactured in
Wadi Kabir, Oman**



SMEs in Oman are profitable

This Coffee Shop has been in business for the last 25 years, and is a thriving business



Omani National should be active in SME

Solutions should ensure that both the "Expatriate Entrepreneur" and "Oman Owners" are active in the business. If the expatriate runs the technical side of the business, the Omani could manage the administration, marketing and financial side of the business. A "real partnership" will be a win-win for all. Business will be legitimized, expatriate entrepreneur will work openly and with dignity and Omani nationals will be effectively employed. SME in Oman will become large employers of Omani Nationals in 4 – 5 years time.

SME in Oman – Quick possible solutions

- 1. All companies must file their annual accounts with MOCI (mandatory requirement), which should be accessible to everyone on payment of fee.**
- 2. At the time of renewal of registration an additional review must be mandated by MOCI. The review should be conducted by a panel of consultants.**
- 3. The reviews should include the following:**
 - visit the premises and document the business of the company.**
 - meet the expatriate running the business and the Omani owner to establish the "real setup".**
 - conclude on the potential growth and refinement of business.**
- 4. PASMED works with the company reviewed to assist and help them organise their businesses. Assist them to ensure that the transactions are documented, appropriate record keeping is maintained, government dues (such as taxes and insurance) are paid, and Omani owners and their second generation are inducted in the business.**



Presented by Khalid Ansari
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