



جهاز الاستثمار العُماني
Oman Investment Authority

ICV Industrial Opportunity

Definitions and Process Workflow

Definitions

Industrial Opportunity

- A viable investment opportunity within the industrial sector that supports localization, import substitution, or export enhancement.

Preliminary Study (Pre-Feasibility Study)

- An early-stage analysis evaluating the technical, economic, and market viability of an opportunity. Focuses on high-level costs, benefits, risks, and feasibility.

Feasibility Study

- A detailed study following pre-feasibility, involving in-depth financial models, engineering designs, risk assessments, and implementation plans.

Off-take Agreement

- A contractual arrangement where a buyer commits to purchasing future production, ensuring market security for the project.

Process Workflow

1. Identification of Opportunities

- Utilize Business Technology Mapping (BTM) and Value Chain Analysis to identify potential localization opportunities.
- Ensure alignment with entity future plans, future spent as well as OIA strategic priorities.

2. Management Approval

- Obtain Entity management approval for selecting and initiating studies on the identified opportunities. (you may Submit brief proposal (1–2 slides covering scope, ICV impact, and preliminary budget)).

3. Conduct Pre-feasibility study

- Include: Market Overview (global/GCC supply/demand), Raw Material Supply Analysis, Risk Assessment, and ICV Impact (GDP, exports).
- Follow template provided by OIA ICV team.

4. Management Approval of Study Findings

- Present the completed preliminary study to Entity management for initial acceptance.
- Seek management commitment to support opportunity localization.
- If feasible, secure off-take agreement(s) approvals from Management to de-risk investment during investor outreach.

5. Submission to OIA

- Studies must be pre-submitted to OIA ICV team for reviewal before final submission.
- Studies must be complete, approved by internal management, and ready for investor/local businesses engagement.

6. Post Submission – Float opportunities to market

- Collaborate with OIA teams (ICV, FFO, etc) to float opportunities to market and negotiate with potential investors/local business.

Pre-feasibility study Template

Pre-feasibility study Template

KPI 1: Develop 2 Preliminary Studies for Confirmed Industrial Opportunities

Objective

To ensure the timely and high-quality submission of two comprehensive Preliminary (Pre-Feasibility) Studies for confirmed industrial opportunities to be localized by **30 September 2025**.

Expected Outcomes

- 1. Pipeline Development for Future Localization:**
Establish a pipeline of industrial opportunities that can be prioritized for feasibility studies and localization in 2026 and beyond.
- 2. Market Scanning and Strategic Awareness:**
Encourage entities to actively analyze market gaps and import dependencies aligned with their sectorial mandates and strategies.
- 3. Better Planning for Resource Allocation:**
Allow to allocate time, funding, and strategic support more effectively for high-impact opportunities.
- 4. Stakeholder Engagement Preparation:**
Enable early identification of potential investors, enablers, or off-takers who can be engaged when feasibility studies begin.
- 5. Support National Objectives:**
Drive initiatives aligned with Oman's Vision2040, economic diversification goals, and sectorial development plans.

Background & Objectives

Location	<ul style="list-style-type: none"> ▪ Oman * Governate: Al Batinah South Governorate City: Suhar
Sector & Sub-sector	<ul style="list-style-type: none"> ▪ Infrastructure - MSW-Landfill
Deal source	<ul style="list-style-type: none"> ▪ Other
Transaction type	<ul style="list-style-type: none"> ▪ Greenfield
Investment opportunity	<ul style="list-style-type: none"> ▪ The project proposes establishing a local manufacturing facility for geosynthetic materials—Geotextile, HDPE membrane, and Geonet—driven by steadily rising demand across landfill, oil & gas, mining, and infrastructure sectors. With no domestic producers currently in place, and demand from entities like be’ah, PDO, and MDO, the opportunity addresses a critical market gap. Sourcing raw materials locally from OQ and aligning with be’ah’s technical standards, the project enhances supply chain resilience, supports In-Country Value (ICV), and contributes to Oman’s Vision 2040 goals of industrialization, economic diversification, and environmental sustainability.
Total project size (OMR)	<ul style="list-style-type: none"> ▪ OMR 6.5 million
Expected Target return	<ul style="list-style-type: none"> ▪ NPV of OMR XXX 884,706 ▪ IRR of 13% ▪ Time Horizon: 10 years
Investment thesis & ICV factors	<ul style="list-style-type: none"> • <u>What market segments the project aims to capture</u> Oil and gas sector (e.g., PDO), Mining sector (e.g., MDO), Environmental sector, Civil Engineering sector (e.g., Ministry of Transportation) • <u>Why should we invest in this opportunity/sector</u> Strong Demand: Oman is tightening the waste management and environmental protection laws, aligning with Vision 2040. be'ah is enforcing stricter controls on landfill Cell design, requiring geosynthetic liners to prevent soil and groundwater contamination. Import Dependency - Market Gap: Oman currently imports most all of geosynthetic materials, such as HDPE liners, geotextiles, and geogrids. Local manufacturing would reduce costs, improve supply chain efficiency, and position the business as a domestic alternative with faster delivery and localized support. There is potential to export to GCC countries that also use these materials. Strategic & supported Industrial Locations: Industrial zones like Sohar offer port connectivity for export and access to raw materials. The Public Authority for Special Economic Zones and Free Zones (OPAZ) provides incentives for manufacturing investments. Continuous Demand: Geosynthetics are not only used in landfills but also in: Roads and highways (soil reinforcement), Mining (heap leach pads) Oil and gas containment systems As these sectors expand, so does the potential customer base. ▪ <u>What impact will it have on the local landscape, GDP, employment, other sectors?</u> Yes, the project supports Oman’s Vision 2040 by enhancing environmental protection, boosting GDP through industrial diversification and reduced imports, and creating direct and indirect employment. while also stimulating growth in logistics, education, and R&D sectors, making it a strategic contributor to sustainable economic and environmental development. ▪ <u>Does it have a strategic importance</u> Yes, it has clear strategic importance across environmental, economic, industrial, and geopolitical dimensions. It supports key national goals: Aligns with Oman’s Vision 2040 environmental goals, especially in water conservation and pollution control. Supports non-oil industrial growth under the Vision 2040 initiatives. Strengthens economic independence and regional export competitiveness. Supports youth employment and STEM innovation. Enhances Oman’s regional industrial capacity

Value Chain Analysis / Alignment with Rawabt

Value Chain Analysis

- The project’s value chain begins with locally sourced raw materials from Liwa Plastics in Sohar, enabling cost-effective and reliable inbound logistics. Advanced manufacturing processes , including extrusion, weaving, and coating, are planned within the Sohar Free Zone, meeting ASTM and ISO standards. Finished products will be stored and distributed domestically by road and internationally via Sohar Port, targeting infrastructure and environmental projects in Oman, the GCC, and beyond. Marketing will focus on B2B engagement, tenders, and industry expos. After-sales services will include technical support, training, and product performance feedback to ensure continuous improvement.
- be’ah Historical spent OMR 4,540,120.
- be’ah forecast spending OMR 12,140,983

Alignment with Rawabt And ICV labs

- The project offers strong synergies with key national entities. OQ can serve as both a buyer and supplier—using liners in its infrastructure and operations while supplying raw materials. MDO represents a major and growing consumer in the mining sector, where liners are essential for leach pads and tailings management. Oman Rail (Asyad) also presents consistent demand for geosynthetics in rail infrastructure. These entities can engage in strategic supply agreements, enabling reliable demand, reduced procurement costs, and alignment with Oman’s ICV and localization objectives.



Be’ah Historical Spend

Years	Price (OMR)
2025	870,063.59
2024	1,168,299.29
2023	47,162.83
2021	1,495,984.15
2020	958,610.44

Be’ah Future Spending

Years	Price (OMR)
2026	4769972.8
2027	1310855.353
2028	3899608.989
2029	2160546.25

Market Overview

Aspect	Global market	Local/GCC Market
Market Size & Forecast	<ul style="list-style-type: none"> ▪ USD 24,598.5 million 	<ul style="list-style-type: none"> ▪ Oman imports in 2024 OMR 15,423,852 of HDPE, OMR 1,897,856 of Geotextile and OMR 2,639,536 of GCL.
Key Players / Sources	<ul style="list-style-type: none"> ▪ China [Shandong Obor New Materials Co., Ltd] ▪ Germany [NAUE GmbH & Co. KG] ▪ Canada [Solmax] 	<ul style="list-style-type: none"> ▪ Distributors in Oman: Modern Geosynthetics LLC and GeoTech Environmental Solutions LLC ▪ GCC: Atarfil Middle East, UAE sand Gulf Lining Materials Factory (GLF), KSA
Demand Trends	<ul style="list-style-type: none"> ▪ Globally, the demand for geosynthetic lining materials is on a robust upward trend, driven by infrastructure growth, environmental protection regulations, and industrial expansion 	<ul style="list-style-type: none"> ▪ Infrastructure and Industrial Development ▪ Environmental Regulations and Compliance
Opportunities & Challenges	<ul style="list-style-type: none"> ▪ Raw material dependency ▪ Logistics and export challenges ▪ Skilled labor shortage 	<ul style="list-style-type: none"> ▪ Local Job Creation ▪ Support for In-Country Value (ICV) Targets ▪ Maximizing Oman’s Logistics and Port Advantage ▪ Local Supply Chain Development



Market Overview – Competitor landscape

Write up on competitor landscape

Entity	Domicile	Capacity	Technology (or other differentiator) description
Partner at hand	Germany	N/A	Digital & AI Tools, such as NAUE Platform: online design software for working platforms and "Geosynthetics GPT Bot": AI assistant for engineering support.
Company A	Saudi Arabia	N/A	Holds international certifications and delivers cost-effective, on-spec geosynthetic systems
Company B	Saudi Arabia	N/A	Advanced R&D lab enables custom formulations (e.g., UV coatings, PC/acrylic variations), in-mold labeling for pails, and development of recycled polymers.
Company C	Spain	N/A	Innovation track record: R&D in custom antioxidants, use of AI/Industry 4.0, advanced certifications (ISO 14001, 50001, GAI-LAP), energy-efficient operations.

Why partner with the company at hand? (if there is a partner you are thinking about)

- *Experienced manufacturer in all types of materials*
- *Long relationship with be'ah, which can be enhanced to a manufacturing JV under OIA support*
- *They already have a strong market share, so partnering with them will ensure that new factory production can be exported. (Malaysia did that)*
- *They can advise a lot on the technology needed to be introduced in the factory*

Investment Thesis

Investment thesis rationale

1.

Oman currently relies heavily on imports for geosynthetic materials used in critical infrastructure projects (e.g., roads, landfills, and mining). Local demand is projected to grow, driven by national infrastructure plans (e.g., Oman Vision 2040, port expansions, mining development). However, no significant local manufacturer is meeting this demand on a large scale. This creates a substantial supply-demand gap at both project and sector levels. A local facility would not only serve domestic needs but also reduce dependency on volatile foreign supply chains.

2.

The project will deliver significant In-Country Value (ICV) through:

Local job creation: Direct and indirect jobs across manufacturing, logistics, and maintenance.

It is estimated that the project will generate approximately 80 to 120 direct jobs in areas such as production operations, quality control, machine maintenance, and administration. In addition to direct employment, the project is projected to create 100 to 150 indirect jobs across the supply chain, including raw material logistics, packaging, warehousing, transport services, utilities, equipment servicing, and local support industries.

Skill development: Technical upskilling in polymer processing, QA/QC, and industrial engineering.

Local sourcing: Opportunities to engage Omani SMEs in packaging, transport, equipment maintenance, and raw material handling.

RDI - Market Overview

1.

Which level in the RDI Strategy the opportunity is targeting?

Technology Localization by adapting and embedding foreign technologies into the local industrial ecosystem, building local technical capabilities, and creating sustainable, Oman-centric manufacturing know-how

2.

Focus Area?

Advanced Materials & Manufacturing The core area focuses on polymer engineering, material durability, and process innovation for geosynthetics

Water and Environmental Management Geosynthetics are key for landfill lining, water retention, and pollution control

3.

Any other related points to RDI strategy

Innovation & Sustainability Opportunity for innovation in product design (e.g., multilayered membranes, UV-resistant fabrics). Supports sustainable development goals through environmental protection and water conservation.

Skills & Knowledge Development Enables RDI-focused partnerships with universities (e.g., SQU, GUtech) in polymer research, mechanical testing, and geotechnical simulation. Opens new areas for vocational training in polymer processing and quality control.

ICV Contribution – Value Creation through Localization

ICV Aspects are highlighted below:



ICV Pillars	Estimated Value Contribution (OMR)
Omani Compensation	400,000 Salaries (plant operators, engineers, admin, etc.)
Made in Oman	10,000,000 (current local demand is 20 million; the factory will cover 50% of the local demand)
NRS Goods	2,800,000 (Civil works)
NRS Services	2,600,000 (Operation cost)

**Estimate the potential value contribution in each ICV pillar, where applicable.*

Risk & Mitigants

Risk Category	Description of Risk	Mitigation Measures
Supply Chain Risk	Dependency on key raw materials such as polymers, which will be secured primarily from Liwa Plastic. Any production or logistical issues at Liwa could disrupt operations.	<ul style="list-style-type: none"> - Secure long-term agreement with supplier - Maintain safety stock - Identify secondary/backup suppliers
Market Risk	Limited domestic demand and uncertain regional export opportunities for geosynthetics may impact plant utilization.	<ul style="list-style-type: none"> - Secure anchor customers through MoUs/offtake agreements - Conduct early market development
Regulatory Risk	Potential delays in land acquisition, environmental permits, or changes in Omani industrial policy.	<ul style="list-style-type: none"> - Engage regularly with regulatory bodies - Include buffer time in project schedule
Financial Risk	Capital cost escalation, exchange rate risk on imported equipment, or lack of long-term financing partners.	<ul style="list-style-type: none"> - Use conservative cost estimates - Phase investments - Seek co-investors or long-term financing early - Manage rate exchange
Execution Risk	Delays in project completion, contractor issues.	<ul style="list-style-type: none"> - Robust project management - Hire an experienced EPC contractor - Monitor progress via milestones and KPIs
Technology Risk	The manufacturing process may involve unfamiliar technology or require specialized technical know-how not readily available locally.	<ul style="list-style-type: none"> - Partner with proven technology providers - Include operator training programs - Hire consultants with successful track record in similar projects
Environmental Risk	Significant electricity and water consumption due to high-energy processes such as extrusion, calendaring, and welding. Emission of Volatile Organic Compounds (VOCs) and other pollutants.	<ul style="list-style-type: none"> - Use energy-efficient systems - Implement VOC control equipment - Explore renewable energy options

Commitment and Offtakers

1. Target offtakers & interest

- *Oil and gas sector (e.g., PDO and their contractors)*
- *Mining sector (e.g., MDO and their contractors)*
- *Environmental sector (e.g., be'ah and their contractors)*
- *Civil Engineering and Infrastructure sector (e.g., Ministry of Transportation and Oman Rail and their contractors)*

2. Commitment from Entity

be'ah is committed to procuring the following roll quantities required for the manufacturing of geosynthetic materials in Oman.

Years	No of Roll				
	Geotextile 2.7KN	HDPE - ss	HDPE - FF	Geotextile 8KN	Geonet
2026	520	566	189	2,300	1,339
2027	220	239	80	971	565
2028	499	543	181	2,207	1,285
2029	287	312	104	1,267	738
2030	244	265	89	1,078	628

Please note that the final quantity will be determined based on factors such as land availability, cell design specifications, and other technical requirements. These details will be confirmed following site investigations and in accordance with operational needs.

*These commitments are subject to the condition that the products fully comply with be'ah's technical specifications and quality standards.

**Plan to obtain management approval to provide all necessary support for the project, including the possibility of entering into an off-take agreement.*

3. External Market Potential

Not applicable

Project Output

1. Project Value

6.5 million OMR

2. Investment Amount

6.5 million OMR

3. Commitment Duration

*2 years - construction
8 years - operation*

Milestones / Execution plan

Submission of Preliminary (Pre-Feasibility) Study

No	Millstones Title	Start Date	Target Date
1	Identification of Industrial Opportunity	3\5\2025	
2	Management Approval to Proceed with Study	16\6\2025	
3	Completion of Preliminary (Pre-Feasibility) Study + OIA ICV team reviewal	22/7/2025	
4	Entity Management Approval of Study + Support Commitment	TBD	
5	Submission of Study to OIA (aligned with KPI performance level)	31/7/2025	

***Note:** To achieve Exceptional, submit by **31 July 2025**; Above Target by **30 August 2025**; Target by **30 September 2025**.

Post-Submission plan (2025 – 2026)

No	Millstones Title	Start Date	Target Date
1	Collaborate with OIA team to float the opportunity to market	TBD	
2	Identify and engage key stakeholders (e.g., investors, sector enablers)	TBD	
3	Conduct investor roadshows / awareness sessions (if applicable)	TBD	
4	Support due diligence for interested parties (technical, financial, legal)	TBD	
5	Initial Execution Plan for 2026 – define key phases, timelines, and resources	TBD	
6	Align with Entity management to finalize support mechanisms (e.g., incentives, approvals)	TBD	

***Note:** These milestones are indicative of the post-submission phase and can be refined based on the nature of the opportunity, investor interest, and Entity strategic direction for localization.

New Industrial Opportunities

KPI 2: Identify and Report 2 Confirmed New Industrial Opportunities (for Future Studies)

Objective

Identify and submit two new confirmed industrial opportunities for localization by 31 December 2025 for further evaluation and study in the following year.

New Industrial Opportunity for Localization Template

Opportunity overview

Opportunity Name	▪ [Insert Opportunity Title]
Sector	▪ Sector/Sub-sector
Brief Description	▪ [2-3 lines summarizing the opportunity, product, or service to be localized]
Value Chain Position	▪ [Specify if the localized product/service is a Raw Material, an Intermediate Input (used in further processing), or a Final Product ready for end use] / mention current spent
Current Sales Volume	▪ [Estimated volume/value of current spent of this product]

Strategic Fit & Benefits

Market Need / Gap	▪ [E.g., High imports / Demand growth / Export potential]
Alignment with Entity Strategy	▪ [Yes / No – Brief justification]
ICV Potential	▪ [E.g., Job creation / Import substitution / Value retention]
Expected Benefits	▪ [Financial: cost savings, Non-Financial: economic growth, tech transfer]
Stakeholders / Partners	▪ [Identify any known or potential investors, enablers, or strategic partners]

***Note:** This opportunity is identified for potential localization and will be evaluated further for study and development in 2026. The information provided is preliminary.