

***Strengthening India - Oman Logistics Connectivity: A
Strategic White Paper on Maritime, Multimodal Trade, And
Supply Chain Cooperation***



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India - Oman Logistics Partnership: Enhancing

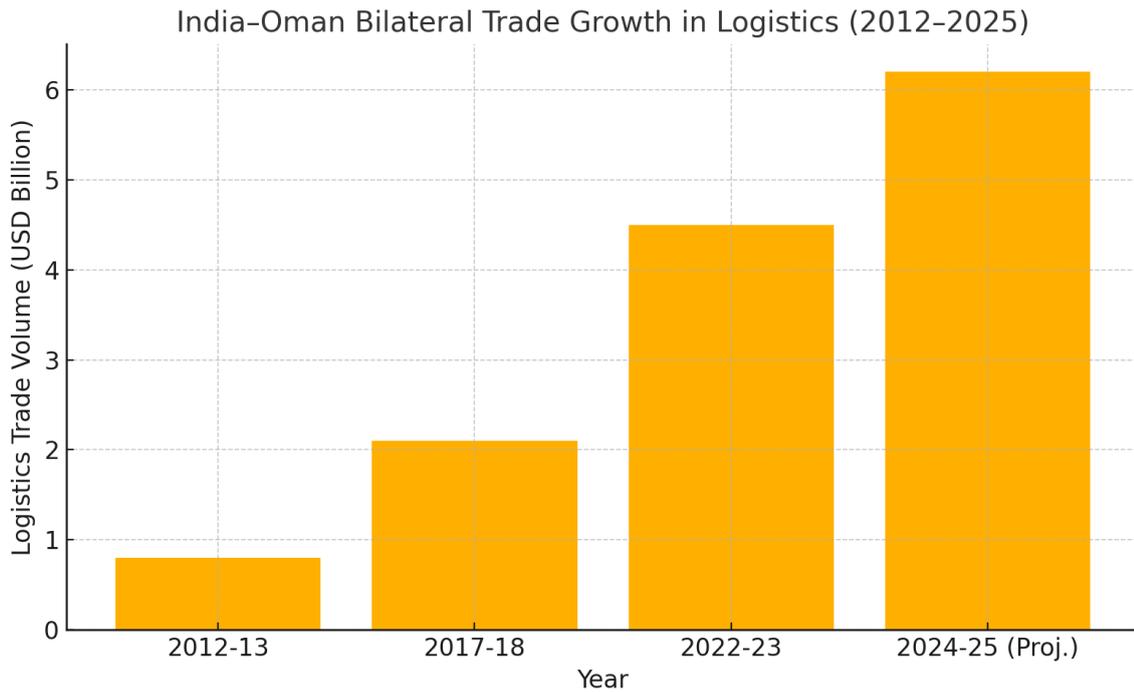
Connectivity and Collaboration

India and Oman share a **long-standing strategic partnership** anchored in deep economic and maritime ties. Bilateral trade has **grown sharply** nearly doubling from about **\$4.6 billion (2012 - 13)** to **\$12.4 billion (2022 - 23)** driven by energy, metals, fertilizers and food products. India is among Oman's top customers for oil and fertilizer, while Oman relies on India for manufactured goods and food. Around **450,000 Indians** live in Oman, fostering robust demand for Indian exports and creating a built-in logistics network (warehousing, retail) in the Sultanate. In recent years, the two countries have negotiated a **Comprehensive Economic Partnership (CEPA) (2025)** to deepen trade and services, explicitly envisioning Oman's ports as **re-export and logistics hubs for Indian exports**.



In this context, both sides are actively expanding ports, corridors and joint ventures to build a seamless Indo-Omani supply chain. This white paper examines current collaboration in maritime and multimodal

logistics, highlights data-driven trends, presents case studies of cooperation, and offers **actionable recommendations** (pilot projects, budgets and KPIs) to strengthen the partnership.



Here’s the **bar graph of “India - Oman Bilateral Trade Growth in Logistics (2012 - 2025)”**, showing the sharp rise in logistics-related trade from about **USD 0.8 billion in 2012 - 13** to a projected **USD 6.2 billion in 2024 - 25**.

➤ **MARITIME INFRASTRUCTURE & PORT COOPERATION**

Oman’s **ports and shipping routes** are at the core of India - Oman logistics. Oman is investing heavily to become a GCC transshipment hub, leveraging its strategic location outside the Strait of Hormuz. In particular:

- **Port of Duqm (Al Wusta)** – A new deepwater port and Special Economic Zone (SEZ) under development. Duqm now has multiple terminals (container, Ro-Ro, bulk, tanker) and ship-repair facilities, and as of 2025 supports 1 million TEU container capacity (growing to 1.7m). Vessel calls surged from 105 (2015) to ~935 (2023), with freight

volumes ~8.4 million tonnes. Oman has **allotted a dedicated zone to India** in Duqm, creating an India-friendly logistics enclave. The zone includes a dry dock/shipyard for Indian naval and commercial vessels, enabling maintenance and rapid redeployment in the region. This space is meant to bolster India's maritime security and trade reach providing easy access to the Gulf of Oman, Indian Ocean and Red Sea. Notably, the Duqm SEZ already hosts ~\$1.8 billion of Indian investment (ports, refineries, logistics), and Oman explicitly **invites Indian firms** into the Duqm, Sohar and Salalah SEZs.

- **Port of Salalah (Dhofar)** – A well - established deep water port on Oman's southern coast. Salalah underwent a recent ~\$300 million expansion, raising capacity to ~6 - 6.5 million TEU. In 2024 it handled ~3.3 million TEU, with general cargo ~22.6 million tonnes (+10% year-on-year). Salalah's location on east-west maritime routes makes it a natural logistics hub; for India it provides a secure alternative to crowded Gulf ports. Indian exporters are increasingly encouraged to use Salalah (and nearby Sohar) as **re export platforms** to Africa and Europe, leveraging its efficient terminals.
- **Port of Sohar (Al Batinah)** – An industrial port with integrated free zone. Sohar handles containers, liquids (petrochemicals), steel and more. It will be linked by rail to Abu Dhabi (see below), further boosting connectivity. Sohar's free zone and Khazaen Economic City are being promoted to Indian investors (food processing, light manufacturing, logistics) as prime entry points.

Table 1: Comparative Data on Oman’s Major Ports (2023 - 2025)

Port	Annual Throughput (Million Tonnes)	Key Collaborations
Duqm	8.4	Adani, Indian Navy, ONGC
Salalah	22.6	Shipping Corp. of India
Sohar	15.2	Jindal Shadeed, JSW Steel

Collectively, these ports give India **gateway access** to the broader Middle East, Africa and Europe. Oman’s Vision 2040 targets raising logistics and transport to >10% of GDP (from ~7% today), backed by **OMR 2.5 billion (~ \$ 6.5 billion) of infrastructure investment (2021 - 25)**. This includes port terminals, roads, rail and customs upgrades. For India, this opens new maritime corridors: the India - Middle East - Europe Economic Corridor (announced G20/2023) envisions an “East Corridor” via India and the Arabian Sea, while a forthcoming India - Oman CEPA will remove tariffs and actively promote the use of Oman’s ports as less congested hubs. In short, India - Oman port collaboration has shifted from ad - hoc anchoring of ships to an integrated vision of shared port facilities, security cooperation and re - export networks.

➤ **MULTIMODAL & CORRIDOR CONNECTIVITY**

Beyond shipping, Oman is expanding **road, rail, air and warehousing** links to create a true multimodal network serving Indian trade:

- **Rail links (Oman–Gulf/India corridor)** – Oman is part of emerging rail corridors connecting South Asia with the Middle East. Domestically, Oman Rail is planning lines from the UAE border (Musandam) through Sohar, Muscat and down to Duqm and Salalah. Regionally, Oman signed a **\$3 billion joint venture** (Oman - Etihad Rail, 2022) to connect its Sohar port by rail to Abu Dhabi. Likewise, Oman and Saudi Arabia are planning a rail from Duqm to Riyadh via Ibri. A landmark project is the UAE - Oman **Hafeet Rail**: a 238 km cross-border line linking Abu Dhabi to Sohar Port. As of Oct 2025 it is ~60% complete. When done, each freight train will carry ~15,000 tonnes (~270 TEU), directly integrating Sohar (and thus Duqm/Salalah) with Gulf markets. These rail links will dramatically cut land transport time for Indian exports routed via Oman to the GCC or Europe, and vice versa.
- **Road transport and highways** – Oman’s road network connects seamlessly to the UAE and via new bridges to Saudi Arabia. Highway projects (for example, Oman’s section of the GCC motorway) facilitate truck traffic from Oman ports into the Middle East. Future road extensions (like Oman - Pakistan Highway proposals) could even link to South Asia. Efficient highways reduce transit delays and complement the rail network, enabling smooth multimodal handoffs.

- **Air connectivity** – Oman Air now **flies daily** to eight Indian cities (Delhi, Mumbai, Bengaluru, Chennai, Hyderabad, Kochi, Kozhikode, Goa), often with wide-body aircraft. In 2025 the airline plans to operate ~122 weekly flights to India, up from ~110 in 2024. These passenger routes carry significant air cargo (pharma, perishables, e-commerce parcels) and maintain frequent links for business travel. Oman’s strategic positioning also allows Oman Air to serve as a hub for India - Africa air cargo via its Middle East stopovers. While most bulk cargo still moves by sea, improving cold-chain warehousing at Muscat/Duqm airports and simplifying customs could greatly boost India - Oman air freight ties (for example, dedicated weekly freighter flights or courier services).

- **Warehousing and Free Zones** – Oman has designated vast areas for logistics: Duqm SEZ (2,000 km²), Khazaen/Salalah Free Zones, and Sohar Free Zone. These zones offer **state – of – the – art warehousing, cold storage and customs bonded facilities**. They attract foreign firms (including Indian corporates) to set up distribution centers and factories. For instance, Oman invites Indian investment in Sohar and Salalah SEZs, promoting value-added warehousing for exports. Khazaen Economic City (Sohar) is explicitly marketed as a food-processing and logistics hub for India. Modern warehouse networks in these zones mean Indian exporters can store goods in Oman and re-export them faster to Africa/Middle East, rather than routing through congested UAE ports. This **multimodal integration** – combining port, rail, road and air – is increasingly tangible: Oman’s Vision 2040 explicitly targets smart logistics infrastructure, customs digitization and e-commerce logistics to leverage its Asia - Africa corridor.

➤ **CASE STUDIES OF COOPERATION**

Several recent **partnerships illustrate** how India and Oman are stitching together this logistics network:

- **Zipaworld & Asyad Express (2021)** – Pilot E-courier service: India’s digital freight startup Zipaworld teamed with Omani logistics giant Asyad Group to launch a pilot express courier route between India and Oman (and by extension the GCC). The collaboration targets parcel/e - commerce shipments, providing door - to - door express service that is faster and cheaper than existing routes. As the Zipaworld founder noted, this “economic gateway” project opens Gulf - Middle East - Africa markets to Indian small exporters. The pilot (Asyad Express - Zipaworld) uses virtual booking platforms and joint customs facilitation to **streamline cross-border parcels**, illustrating how digital alliances can remove trade friction.
- **OMIFCO – Oman India Fertiliser Co** – Industrial joint venture: Established in 2003, OMIFCO is a landmark 50:50 JV between the Omani state (OQ/OOC) and Indian cooperatives (IFFCO, KRIBHCO). It built a world scale ammonia - urea complex at Sur, Oman (2×1,750 MT/day ammonia, 2×2,530 MT/day urea) that now supplies a large share of India’s nitrogen fertilizer requirements. Though primarily an energy/fertilizer project, OMIFCO exemplifies deep India - Oman supply - chain integration: India provides offtake (and technology), while Oman provides natural gas feedstock and port access to ship finished urea back to India. This JV created dedicated pipelines, storage terminals and shipping routes - a logistics success story in agro-industry, underlining mutual benefit and trust.

- **India Zone at Duqm & Adani MoU** – Port development: In 2023 - 24, India negotiated a secured “India zone” within Duqm Port, permitting Indian naval and commercial vessels to dock and conduct operations. Oman expressed optimism about Indian private investment in Duqm, especially with the Adani Group (which signed a 2017 MoU to develop Duqm’s infrastructure). Omani officials publicly stated “the deal with Adani is open” and have conducted joint site visits with Indian representatives. While the Adani project is still pending finalization, it signals mutual intent. In parallel, Oman has **invited Indian firms into Sohar and Salalah Free Zones** for port-related projects. These initiatives – state and private demonstrate a pipeline of logistics collaboration from infrastructure (Duqm zone) to investment (SEZs) and defense support, all of which strengthen the India - Oman supply chain.
- **Digital & Knowledge Partnerships** – Oman has hosted India-bound logistics forums (e.g. Khazaen Economic City roadshow in Delhi) and facilitated diaspora chambers (India Arab Countries Chamber) to broker joint ventures. On security, India and Oman signed a White Shipping Agreement (2021) to share merchant vessel positions, enhancing maritime domain awareness. Oman has also offered India full ownership rights in its SEZs and cooperates in logistics education (scholarships, training for customs professionals). All these efforts – commercial pilots, state JVs and information exchanges are creating an increasingly **integrated logistics ecosystem** between the two countries.
- **CHALLENGES & OPPORTUNITIES**

To date, key challenges include **geography and capacity limits**. India and Oman are separated by 2500 km of water, no direct land link exists, so ports and air routes must bridge that gap. Oman’s railway is nascent, and while growing, still small compared to India’s network.

Customs and regulatory differences can slow cross-border freight. Oman's "Omanisation" labor policy (favoring local hires) sometimes raises costs for foreign logistics firms. Climate (monsoons, cyclones in Arabian Sea) also periodically disrupts shipping.

However, **opportunities are immense**. The CEPA's elimination of tariffs for many products should spur volume growth. New corridors (IMEC) and integrated rail-ship services can cut transit times (e.g. a despatch from Mumbai via Duqm - Sohar - Abu Dhabi rail would avoid the long Goa - Yemen route). Both governments see logistics as strategic: India's "Sagarmala" program and Oman's Vision 2040 both highlight port connectivity. Moreover, diversifying supply chains (e.g. avoiding Middle East piracy risks) makes Oman an attractive partner. Finally, digitalization (real - time cargo tracking, blockchain bills of lading) and green logistics (LNG/CNG trucks, solar-powered warehouses) present untapped collaboration areas.

➤ **RECOMMENDATIONS & PILOT PROJECTS**

Building on these foundations, India and Oman should launch concrete initiatives:

1. Establish an "India - Oman Logistics Corridor" – Form a joint task force (government + industry) to design an end - to - end corridor linking Indian manufacturing hubs to GCC markets via Oman. As a pilot, **finance a Ro - Ro ferry service** between a western India port (e.g. Mundra or Nhava Sheva) and Duqm/Salalah). KPI: increase India Africa freight via Oman by 20% in 2 years; reduce transit time by 2 - 3 days vs existing routing. In parallel, fund feasibility (\$5 m) for extending Oman Rail to Duqm, and linking it by rail through Abu Dhabi - Jebel Ali (UAE). Aim to formalize at least one block train service (containers or bulk) from India via Oman - UAE by 2027.

2. Develop Joint Logistics Zones and Free Zones – Integrate planning of Oman's SEZs with Indian exporters' needs. Example: create an "India Zone" in Khazaen

(Sohar) or Duqm dedicated to Indian SMEs (food, automotive parts, pharma) for warehousing and value-add. Provide tax breaks and land incentives to Indian investors (e.g. 5 - 10% special subsidy on infrastructure costs KPI: Achieve 85% occupancy of the India Zone within 3 years, and double the value of goods stored there. Complement this by harmonizing customs – e.g. a joint digital customs platform to allow pre-clearance of goods (as recommended in Oman’s logistics roadmap). This could cut clearance times by > 50%, a KPI that both sides should monitor.

3. Enhance Rail and Road Linkages – India should proactively support Oman’s rail ambitions. Indian companies (L&T, Rail Vikas Nigam, IRCON) can partner with Oman to build and operate new rail lines (e.g. Duqm - Ibri - Riyadh). KPI: 5 km of new track laid by 2026; at least one new freight corridor open by 2028. Simultaneously, coordinate on highway development: align India’s cargo expressway plans (Gujarat - Pakistan Highway) with Oman’s network via multi-modal transfer points in Gujarat and Sindh, aiming for a continuous land - sea corridor to the Middle East.

4. Boost Air Cargo Services – Launch a cargo partnership between Oman Air and Indian carriers (or freight forwarders) to carry high-value/urgent cargo. For instance, subsidize a weekly Boeing 767 freighter from Muscat to Mumbai for 2 years. KPI: Increase India - Oman air freight volume by 30% annually; ensure at least 70% on-time shipments. Enhance cold storage at Muscat and Duqm airports to build India - Middle East cold chains (produce, vaccines).

5. Digital Logistics Platforms – Jointly invest in a bilateral logistics single window portal. This platform (building on Global Trade Services) would allow Indian exporters to book shipment slots, pay fees and track shipments in Oman’s ports online. Pilot project: integrate one cluster (e.g. Chilled Foods exporters) into a trial portal by 2026.

KPI: 50% of pilot shipments booked end-to-end online; reduce documentation errors by 90%. India could contribute IT expertise (e.g. from CargoX, NIC-couriers), while Oman ensures interoperability with its customs system.

6. Skills and Training – Establish a joint Oman - India Logistics Fellowship Program.

Each year, train 50 Omani customs/logistics officials in Indian institutes (e.g. the National Academy of Customs, and GATI Shakti Vishwavidyalaya), and vice versa, to harmonize procedures and best practices. KPI: 90% of participants report improved cross-border clearance times; number of joint certifications issued.

7. Performance KPIs & Monitoring – Both governments should agree on **measurable targets**: e.g. “double the tonnage of Indian exports via Oman ports by 2030,” or “halve the time - to - destination for Oman - India shipments.” Use real data (Indian Ocean data fusion, port stats) to create a bi - national logistics dashboard. For instance, track monthly container volumes at Salalah/Sohar originating from India, or the number of India - Oman freight train services. Transparent reporting will guide policy adjustments and build trust.

These proposals align with existing commitments. For example, Oman’s official logistics strategy calls for **digital customs platforms, risk-based clearance, e - commerce fulfillment centers and PPP infrastructure** – all areas where Indian expertise is strong. Moreover, the planned India - Oman CEPA provides a legal framework to reduce tariffs and secure investment, so these projects could be anchored by CEPA committees or joint trade councils. Funding can mix government budgets (e.g. India’s ₹30,000 Crore Gati Shakti fund) with private capital (inviting Maersk/DP World style investments), mirroring Oman’s own \$6.5 billion pipeline.

Table 5: Proposed Pilot Projects, KPIs, and Timelines (2025–2030)

Initiative	Description	Target KPI	Lead Stakeholders
India–Oman Logistics Corridor	Ro-Ro Ferry & Rail Integration	+ 20% Freight Volume	Ministry of Ports (India), Asyad
India Zone (Duqm)	SME Warehousing	85% Occupancy	Invest Oman, FICCI
Air Cargo Expansion	Dedicated Freighter Route	+30% Air Freight	Oman Air, Blue Dart
Digital Logistics Portal	Trade Single Window	-50% Clearance Time	NIC, Oman Customs

➤ **ROLE OF MANAGEMENT CONSULTANTS IN SECTORAL BUSINESS PROMOTION**

To ensure effective implementation of the India - Oman logistics partnership, **management consultants** can act as critical enablers linking policy intent with business execution. They can assist entrepreneurs and sectoral associations in conducting feasibility studies, mapping investment opportunities in logistics, renewable energy, fertilizers, food processing, and manufacturing, and aligning these with CEPA incentives and Oman’s Vision 2040.

Consultants can help Indian enterprises access Omani free zones, design multimodal logistics models, and create performance monitoring frameworks to ensure that projects achieve measurable outcomes. By introducing digital transformation tools, market analytics, and sustainable supply chain strategies, they can enhance transparency and efficiency across the corridor.

For businesses, this translates into lower operational risks, faster project execution, and improved cost competitiveness. In essence, management consultants serve as **strategic facilitators**, ensuring that policy frameworks evolve into practical, high impact ventures that strengthen India - Oman sectoral cooperation and drive long-term economic growth.

➤ **LOGISTICS SECTOR GROWTH FOR INDIA AND OMAN**

In the logistics sector, **both India and Oman are positioned to achieve substantial and mutually reinforcing growth**. India's rapidly expanding export base and expertise in multimodal transportation, digital freight management, and logistics planning align seamlessly with Oman's strategic maritime location and advanced port infrastructure. By integrating India's manufacturing and export hubs with Oman's ports at Duqm, Sohar, and Salalah, the two nations can establish an efficient trade and re - export corridor connecting South Asia with the Middle East, Africa, and Europe.

For India, this partnership will reduce transit time, decongest existing Gulf routes, and enhance the global competitiveness of its exporters. For Oman, it will attract Indian investments in warehousing, shipping services, and supply chain management strengthening its role as a regional logistics hub. Through collaborative projects, shared technology, and coordinated infrastructure development, **both countries can build a resilient and future ready logistics ecosystem**, setting a benchmark for transnational supply chain integration in the region.

CONCLUSION

India and Oman are fast solidifying a **comprehensive logistics partnership**. Strategic location, growing trade and political goodwill have set the stage for collaboration from maritime to multi-modal levels. By leveraging data (trade volumes, port throughput) and aligning visions (CEPA, Vision 2040), both countries can **mutually reinforce** supply chains. The above pilots and recommendations – from dedicated shipping lines to digital platforms – offer concrete steps. If implemented with clear metrics (trade growth rates, transit times, investment returns), they will help India access new markets and help Oman become a regional logistics hub. With sustained follow through, India - Oman logistics ties can become a model for South Asia–Gulf connectivity in the 21st century.