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THE FUTURE OF FINANCIAL INFRASTRUCTURE

The State of Omani Banking & Payments

How a market crossed from cards to mobile in a single year — and what the new Banking Law means for who builds the rails next.

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Mahmood Al-Hattali · Independent Strategic Advisor · Banking & Payments

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EXECUTIVE SUMMARY

Five things every CEO should know this quarter.

1 **Digital gateway payments exceeded 168 million in 2025** — a 150% year-on-year rise, worth approximately RO3.2 billion. This is a behavioural baseline, not a peak.

2 **Mobile payments have entered a new growth phase.** Mobile clearing transactions quadrupled in a single year (2023→2024) — the signature of a market where the phone is now the front door.

3 **The regulatory framework has materially expanded.** A new Banking Law, a digital-bank licensing regime, and an open-banking framework were all enacted or advanced through 2025.

4 **Infrastructure — not apps — is becoming the competitive battleground.** As rails open and standardise, advantage shifts from the customer-facing app toward who owns the plumbing beneath it.

5 **Banks should prepare for the next phase** of real-time, account-to-account, and embedded finance — the stages this report argues Oman is moving toward next.

FROM THE DESK

A market that stopped adopting and started behaving differently.

There is a moment when a trend stops being a trend and becomes the baseline. The 2025 data suggest Oman's payments market crossed that threshold.

The numbers in this edition are large enough to be quoted on their own. But the number is not the story. The story is what a behavioural shift of this speed demands from the institutions underneath it — their rails, their controls, their org charts — and from a regulator that has, through 2025, materially rewritten the operating rulebook these institutions work under.

This first edition is deliberately Oman-only. I would rather speak with primary authority about one market than offer thin coverage of six. Future editions will widen to the GCC from that foundation. Throughout, I read developments through three lenses I use in my own work — where a market is going, where it ends up, and what a bank must build to survive the journey.

> THE THROUGHLINE
>
> *Every section answers one question: if this is where Omani banking is heading, what does an institution need to build now to still matter when it arrives?*

A note on sourcing

Headline payment figures in this report derive from the Central Bank of Oman — its Annual Report 2024 and published payment-systems statistics. Where a figure was accessed through media coverage of CBO releases, the methodology page names both the primary source and the reporting channel. Proprietary analytical frameworks are labelled as such throughout, and forward-looking predictions are graded on a defined scale (see page 8).

01 · THE HEADLINE NUMBER

168 million transactions. One year. One reset.

Oman's domestic electronic payment gateways did not just grow in 2025. They changed category.

+150%
Growth in digital gateway transaction volume, 2025 — from 67m to over 168m transactions

RO3.2bn
Value processed through payment gateways in 2025, up 76% year on year

+133.5%
Growth in QR-code payments — the fastest-rising method of all

According to the Central Bank of Oman, the value of transactions processed through domestic electronic payment gateways reached approximately RO3.2 billion in 2025, a rise of 76.3% on the prior year, while the number of transactions climbed past 168 million[1] — a 150% increase year on year. Point-of-sale value exceeded RO7.5 billion, up 33.2%.[2]

Digital gateway transactions, Oman (millions)



Source: Central Bank of Oman payment-systems statistics, 2025.[1] Bars share a common 0–180m scale. +150% year on year.

Why this is a baseline, not a peak

A 150% jump is not a smooth adoption curve. It is a step change — the kind that quietly stress-tests three things at once: **fraud surface area**, **support and operations load**, and **core-system throughput**. Each scales with volume, and each fails differently when volume more than doubles in a year.

The strategic read: institutions that invested in resilience *before* the surge are likely to be better positioned to preserve customer trust under rapidly rising transaction volumes. Those that did not may find themselves firefighting — and firefighting is expensive precisely when growth should be cheap.

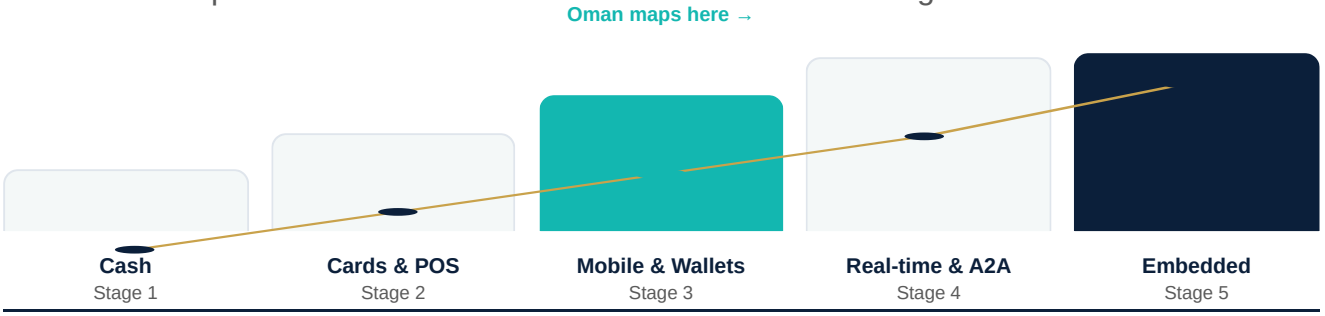
> THE QUESTION FOR EVERY OMANI BANK
>
> *The debate is no longer "will customers go digital." They have. It is "are our rails, our fraud controls, and our org chart built for a market that already did?"*

1. Central Bank of Oman, payment-systems / interbank statistics, 2025 figures; as reported in CBO releases and Omani financial press (May 2026).
2. Central Bank of Oman, 2025 point-of-sale statistics, payment-systems data.

02 · THE FRAMEWORK LENS

Where Oman sits on the Payments Evolution Curve.

Every market travels the same five stages from cash to embedded finance. The only variables are speed — and what holds a market at its current stage.



Applying the Payments Evolution Curve developed for this publication, Oman currently maps to **Stage 3**. Mobile clearing transactions quadrupled in a single year[3] and QR payments are the fastest-growing method in the country — signatures consistent with a market where the phone has become the front door.

Mobile clearing transactions, Oman (millions)



Source: CBO Annual Report 2024.[3] Bars share a common 0–180m scale. Value rose RO1.72bn → RO5.56bn over the same period.

What unlocks Stage 4

The move to real-time and account-to-account payments is rarely held back by consumer appetite; it is more often constrained by rails and rules. Oman is notable in that the regulator is actively building both — which may compress a Stage 3-to-4 transition that took others considerably longer.

Stage	Signature	Likely effect on bank economics
3 · Mobile	Phone as front door; QR surges	Acquiring volume rises; branch relevance declines
4 · Real-time / A2A	Instant account-to-account transfer	Card interchange likely comes under increasing pressure
5 · Embedded	Payment disappears into other products	Margin tends to shift from brand to infrastructure

THE READ

A market climbing the curve this fast tells its banks something blunt: the next advantage is less likely to be the best app, and more likely to be ownership of the rails others build on.

03 · REGULATION

The year the rulebook was rewritten.

2025 was not an incremental year for Omani banking law. It was a structural one — and the structure creates clear opportunities for early movers.

- **A new Banking Law (Royal Decree 2/2025), effective 1 January 2025**, replaced the 2000 law outright — and for the first time brought digital banks and investment banks explicitly under CBO oversight.[4]
- **A dedicated Digital Bank framework (effective 1 June 2025)** created two licence tiers — Category 1 (RO30m capital, unrestricted) and Category 2 (RO10m, restricted activities) — with a clear pathway for foreign digital banks to enter as branches.[5]
- **Open Banking, approved following the CBO Board meeting of 29 December 2024 and advancing through 2025**, set the standards for APIs, consent management, and data security that let third parties build on bank data.[6]
- **Enhanced electronic direct-debit authorisation (2025) and a Bank Deposits Protection Law (in force September 2025, executive regulation issued 26 August 2025)** rounded out a year of rail-building and confidence-building in parallel.[7]

Reading the regulator as an architect

Most coverage treats these as compliance events. The more useful reading is strategic: the CBO is not refereeing the market, it is laying its foundations — rails, licences, and data standards that define what can be built next. When the regulator builds infrastructure, the competitive question flips from "what will we build" to "*how fast can we build on what they've provided?*"

> **THE FORENSIC NOTE — WHAT COULD BREAK**
>
> The opportunity has a shadow. Quadruple a payment channel and you quadruple its fraud surface, its dispute load, and its single points of failure at the same time. The real exposure is concentration: if every bank rushes the same few embedded partners and the same rails, a single outage or breach stops being one bank's problem and becomes the market's. Owning the plumbing is an advantage only if the plumbing holds.

4. Royal Decree 2/2025 (New Banking Law), repealing Royal Decree 114/2000; CBO.

5. CBO Decision 25/2025, Regulatory Framework for Digital Banks, effective 1 June 2025.

6. CBO Open Banking Regulatory Framework, approved following CBO Board decision, 29 December 2024.

7. CBO; Bank Deposits Protection Law executive regulation (Decision CB/60/8/2025), 26 August 2025.

04 · THE INVISIBLE BANK WATCH

Early signals of banking as infrastructure.

The end-state of the curve is the Invisible Bank: the institution becomes the rails other businesses build on, not the destination customers visit. Oman's first signals are already visible.

One early signal

In May 2024, Sohar International launched the first API portal in Oman[8] — an early move toward becoming a platform other businesses can plug into. In an open-banking market, the first credible API platform reads less like a product launch and more like an early position-taking on the infrastructure layer. The evidence of embedded finance in Oman is still limited; this is a signal to watch, not yet a trend to declare.

What to watch next

The tell will be partnerships, not apps: a bank's rails appearing inside a telco's app, a retailer's checkout, a payroll platform. When the bank's name moves to the small print and its rails do the work, Stage 5 has begun.

THE STRATEGIC CHOICE

Own the front door — and fight platforms for customer attention you'll increasingly lose.

Own the plumbing — and capture everyone's volume regardless of whose app it runs in.

The banks that choose plumbing early, while the choice is still theirs to make, will be well positioned to shape the next decade of Omani finance.

WHAT MOST BANKS WILL GET WRONG

The instinct will be to defend the front door — pour spend into a better app and a louder brand, and treat open banking as a compliance project to survive. That is the comfortable choice, and likely the wrong one. The bank that quietly wins is the one that decides its app is not the asset — its rails are — and lets others distribute on top. The most valuable Omani bank of 2030 may be one customers never consciously visit.

8. Sohar International launch of Oman's first open-banking API portal, May 2024; company and industry reporting.

05 · PREDICTIONS FOR NEXT QUARTER

Three calls — specific enough to be graded.

Vague forecasts can't be measured and won't be remembered. These three are falsifiable on purpose. They feed the annual scorecard.

PREDICTION 01

A second Omani bank announces or launches a public API platform.

With open-banking standards now set and one mover already live, competitive pressure makes a fast-follower API portal the most likely next headline. The infrastructure race becomes visible.

PREDICTION 02

QR payment growth outpaces card growth again — by a widening margin.

QR rose 133.5% against POS value's 33.2%. The gap reflects structural preference, not a one-off. Expect the spread to widen, not converge, next quarter.

PREDICTION 03

At least one concrete digital-bank licence application advances under the new framework.

The framework has been live since June 2025 with clear capital tiers. The first serious applicant moving through the CBO process turns the rulebook into a real competitor.

HOW THESE WILL BE GRADED

*Each prediction will be scored in the annual outlook on a defined scale — **Confirmed**, **Partially confirmed**, or **Not confirmed** — publicly, including any misses. Stating the scale in advance is what makes the scorecard a method rather than a marketing exercise.*

This is Edition 01.

The State of Omani Banking & Payments is published quarterly, reading each quarter's developments through the same lens: where the market is going, where it ends up, and what institutions must build to get there.

Next edition: Q4 2026.

SOURCES & METHODOLOGY

Every figure, traced.

Each data point carries its primary source, year, and a tier: P = primary CBO/official publication, S = secondary reporting of CBO data.

Claim	Year	Primary source	Tier
Digital gateway transactions >168m; +150%	2025	CBO payment-systems statistics	**S**
Gateway value ~RO3.2bn; +76.3%	2025	CBO payment-systems statistics	**S**
QR-code payments +133.5%	2025	CBO payment-systems statistics	**S**
POS value >RO7.5bn; +33.2%	2025	CBO payment-systems statistics	**S**
Mobile clearing 40.6m → 169.5m; value RO1.72bn → RO5.56bn	2023→2024	CBO Annual Report 2024	**P**
New Banking Law (RD 2/2025) repealing RD 114/2000	2025	Royal Decree 2/2025; CBO	**P**
Digital Bank framework; Category 1 (RO30m) / Category 2 (RO10m)	2025	CBO Decision 25/2025	**P**
Open Banking framework approved	Dec 2024	CBO Board decision (29 Dec 2024)	**P**
Bank Deposits Protection Law; exec. regulation	2025	CBO Decision CB/60/8/2025	**P**
Sohar International — first API portal in Oman	May 2024	Company announcement; industry reporting	**S**

The 2025 payment-gateway figures originate with the CBO and appear in its published payment-systems statistics; they are cited at tier S where currently accessed through CBO releases and reporting of them.

Method

- **Primary where possible.** Regulatory developments and 2024 payment figures are cited to primary CBO and official sources (P); 2025 gateway figures are tier S, drawn from CBO releases and reporting of CBO data.
- **Year-anchored.** Every figure is tied to its reference year rather than relative phrasing, so it reads correctly in any future quarter.
- **Frameworks are interpretive.** The Payments Evolution Curve, the Invisible Bank Model, and the Four Layers of Financial Infrastructure are the author's analytical models, not data.
- **Predictions are falsifiable by design** and graded Confirmed / Partially confirmed / Not confirmed in the annual outlook, including any misses.

This report synthesises publicly available information for analytical and discussion purposes. It is not investment, legal, or regulatory advice. Figures are accurate to the author's knowledge at time of publication; readers should consult primary CBO publications for definitive data. © Mahmood Al-Hattali, 2026.

DEFINITIONS

The terms, in one line each.

So the report reads cleanly for specialists and non-specialists alike. Each term as used in this publication.

Term	Definition
Digital gateway	The online infrastructure that routes electronic payments between merchants, customers, and banks — the rail behind e-commerce and app-based card and account payments.
Mobile clearing	The system that settles payments initiated from a mobile phone (transfers and merchant payments); in Oman, the Mobile Payment Clearing Switch System reported by the CBO.
POS	Point of sale — the in-store terminal or device that accepts card and contactless payments at the moment of purchase.
QR payment	A payment made by scanning a Quick Response code, linking a customer's app to a merchant's account — low-cost to deploy and fast-growing in Oman.
Open Banking	A regulated framework that lets customers permit third parties (with consent) to access their banking data via standardised APIs, enabling new products and competition.
A2A	Account-to-account payment — money moving directly between bank accounts without a card network in the middle, often in real time.
Embedded finance	Financial services (payments, lending, insurance) delivered inside a non-bank product or platform, so the customer transacts without visiting a bank directly.
Interchange	The fee paid between banks when a card payment is processed — a core revenue line that account-to-account rails can bypass.
RTGS / ACH	Real-Time Gross Settlement and Automated Clearing House — the wholesale and bulk settlement systems that underpin a national payments network.

A NOTE ON USAGE

Where this report uses a proprietary framework — the Payments Evolution Curve, the Invisible Bank Model, the Four Layers of Financial Infrastructure — it is named as such. These are analytical lenses developed for this publication, distinct from the industry terms defined above.