

Powering Oman's digital future: AI infrastructure and data centres

Thought leadership by Trowers & Hamlins



Key contacts

Leopold Zentner
Partner

+968 2468 2940
lzentner@trowers.com

Introduction

Across the GCC — and in Oman specifically, where **Vision 2040** places digital infrastructure at the heart of economic diversification — the Data Centre / AI Infrastructure market is expanding rapidly, driven by hyperscaler demand, sovereign AI ambitions, increasing reliance on cloud services, and the growing recognition of data sovereignty as a strategic national priority.

Trowers & Hamlins is a leading UK headquartered international law firm in Oman (and the wider GCC as well as Asia). You can find out more about us here: [Oman | Trowers & Hamlins law firm](#)

As leading experts in a broad variety of legal disciplines, we understand that Data Centres and the associated Infrastructure underpinning / enabling the exponential growth of AI and demand for computing power is becoming one of the most consequential infrastructure asset classes of this decade.

Challenges and Opportunities in Oman

Compared to some other GCC members, there may be less publicity in respect of the Data Centre market in Oman, but that does not mean that the Sultanate is not a key player in this space. Indeed, Oman has several major advantages (geographically and politically) compared to some of its neighbours.

Leveraging off those advantages whilst recognizing and mitigating inherent challenges (which are common to Data Centres generally and not Oman specific), is a key cornerstone to develop this sector in a competitive and sustainable manner.

Where geography, stability and ambition connect the digital economy

Key Advantages		Key Challenges
Direct Sea Routing Oman's Arabian Sea coastline faces the Indian Ocean directly, providing the shortest routes to Asia, Africa and beyond.		Cooling and infrastructure challenges Oman's hot climate requires specialised and energy-efficient cooling solutions (e.g. advanced cooling technologies, water management and resilient power infrastructure). As well as high construction costs (average of USD 8 - USD 9m per megawatt).
Cable Landing Diversity Multiple existing and planned submarine cable systems with direct access to the Indian Ocean, reducing latency and enhancing resilience.		Future-proofing data centre finance Long-term financing must balance the risk of technology obsolescence with the need for durable infrastructure, given the rapid evolution of hardware, AI workloads and changing demand profiles.
Political Neutrality A consistent, predictable regulatory environment and a trusted host for critical communications infrastructure.		Navigating the regulatory regime Managing evolving regulations, including data privacy laws and broader digital and telecommunications frameworks in Oman, to ensure compliance and certainty for investors and operators.
Government Strategy Proactive positioning as a submarine cable hub, with supportive policies, infrastructure investment and a clear vision for a digital economy.		

Oman Data Centre market: a high-level overview

Building on the importance of a Data Centre as critical national infrastructure, and having identified some of the advantages and challenges, we can examine the current state of the Data Centre Market in Oman and its key drivers.

Key Driver The Oman Data Centre infrastructure market is poised for significant annual growth through 2031, mainly driven by 5G expansion, cloud adoption and AI deployment across the Sultanate.	Vision 2040 Calls for enhanced national technical capabilities, vital ICT infrastructure and improved e-government services, including 12 new Data Centre facilities across the Sultanate.	Sustainability Growing focus on renewable energy, including Oman Data Park's first Green Energy Data Centre initiative with Solar Wadi, supporting Oman's Net Zero targets under Vision 2040.	Cloud Adoption Major cloud providers including AWS and Oracle have established a presence in Oman, with Omantel's Otech platform (first AWS-accredited sovereign cloud in the Middle East) supporting data residency and regulatory compliance.	Strategic Geography Oman hosts 18 undersea internet cables , providing low-latency global connectivity to Asia, Europe, Africa and the Middle East, positioning the Sultanate as a natural interconnection hub for the region.
Market Overview 11 Operational colocation Data Centres. - Location across Oman. - Tier III – standard for most facilities (high availability and redundancy). - Strong growth – expected through 2031.		Key Locations 	Key Players Equinix: Operates Muscat MCI and Salalah SN1. SN1 (with Omantel) links Asia, Africa, Europe and Australia. Oman Datapark: Leading domestic provider. Facilities in Knowledge Oasis Muscat and developing a major solar-powered Data Centre in Nizwa. Ooredoo: Providing colocation and cloud services leveraging its telecommunications infrastructure. Datamount: Colocation provider serving enterprise customers. Cloud Acropolis: Colocation provider serving enterprise customers. Gulf Data Hub: Planning to add -32MW of power capacity across two Data Centres.	

Data Centres supporting government systems and essential services are treated as vital national assets and part of critical information infrastructure in Oman, governed by national cybersecurity frameworks.

Oman formally launched its **National Cybersecurity Strategy 2026–2030** to protect the country's accelerating digital transformation, safeguard state data assets, and ensure the continuity of essential services. Prepared by the Cyber Defence Centre in coordination with public and private sectors, the plan explicitly supports the objectives of **Vision 2040**.

The Sultanate's Digital Future ambitions include:



Supports cloud computing, AI, big data and e-commerce.



Drives a diversified, knowledge-based economy.



Ensures data sovereignty and lower latency for local users.



Creates opportunities for Omani talent, training and employment.



Positions Oman as a regional cloud hub for the GCC, East Africa and South Asia.

Key legislation and initiatives

Oman's objectives for its digital future are clear. This Sultanate's goal necessarily relies, and needs to be built, on a regulatory framework for the various interest-holders in the AI infrastructure space to invest and carry out business in Oman. The legislature and associated initiatives (such as Oman being a founding member of World AI Cooperation Organisation (**WAICO**)) and alignment with other best practices, further demonstrates the priority of Data Centres in Oman and the opportunities it creates to be part of the journey for sustained growth.

Royal Decree 1/2026	Institutional Framework	Sectoral Regulation	Data Protection and Security	Digital Enabling Legislation	AI and digital Governance
Eleventh Five-Year Development Plan 2026-2030 Sets the national development priorities, including a digital and knowledge-based economy.	Royal Decree 90/2020 Establishing the Ministry of Transport, Communications and Information Technology (MTCIT) – <i>Sets out its mandate to localise advanced technologies and govern digital innovation.</i> National Centre for Statistics and Information (NCSI) – Decision 103/2022 – Issuing the National Data Strategy. National Programme for artificial intelligence and advanced digital technologies (2024) – Drives the development and adoption of AI and other advanced technologies across the economy.	Central Bank of Oman (CBO) Decision 25/2025 – Issuing the Regulatory Framework for Digital Banks, evidencing sectoral adoption. Telecommunications regulatory Authority – Decision 1152/2/19/2024-20 Issuing the Regulation Governing Cloud Computing and Data Centres Services. <i>Regulates data hosting, compute resources, and cloud infrastructure foundational to AI deployment.</i>	Personal Data Protection Law (Royal Decree 6/2022) Establishes the legal framework for the protection of personal data. Executive Regulation – (Ministerial Decision 34/2024) Sets out detailed requirements for implementation. Circular 6/2024 – Regarding the Personal Data Protection Policy of the Units of the Administrative Apparatus of the State. <i>Mandates in-country data processing and security controls for government datasets.</i>	Electronic Transactions Law (Royal Decree 69/2008) Establishes the legal enforceability of automated transactions, electronic communications and digital signatures.	MTCIT Circular 11/2025 – Public Policy for the Safe and Ethical Use of Artificial Intelligence Systems. MTCIT Ministerial Decision 108/2025 Issuing the Governance Regulation for Government Digital Transformation. Royal Decree 50/2026 Establishing the Artificial Intelligence Special Zone in the Governorate of Muscat. Green Artificial Alliance

ESG - Considerations

Data Centres face intense ESG (Environmental, Social, and Governance) criticism due to their massive consumption of electricity and water, heavy carbon footprints, and local grid strains, largely due to, amongst other things (a) Massive Energy Consumption, (b) Water Scarcity and Cooling and (c) Grid Strain.

Oman recognizes these challenges and is adopting policies / initiatives such as its **Green Artificial Intelligence Alliance**, the inaugural meeting of which was held in September 2026, marking a major step toward powering the nation's digital economy with renewable energy.

AI infrastructure: a multi-disciplinary approach

Data centres are among the most complex infrastructure assets being developed today, sitting at the intersection of technology, energy, finance, real estate, construction and regulation.

The successful development of AI Infrastructure and Data Centres requires breadth and depth across a broad spectrum of capabilities and expertise. Projects of this nature represent a convergence of multiple disciplines and the seamless legal support across such disciplines to the various actors in the AI Infrastructure eco-system is fundamental:

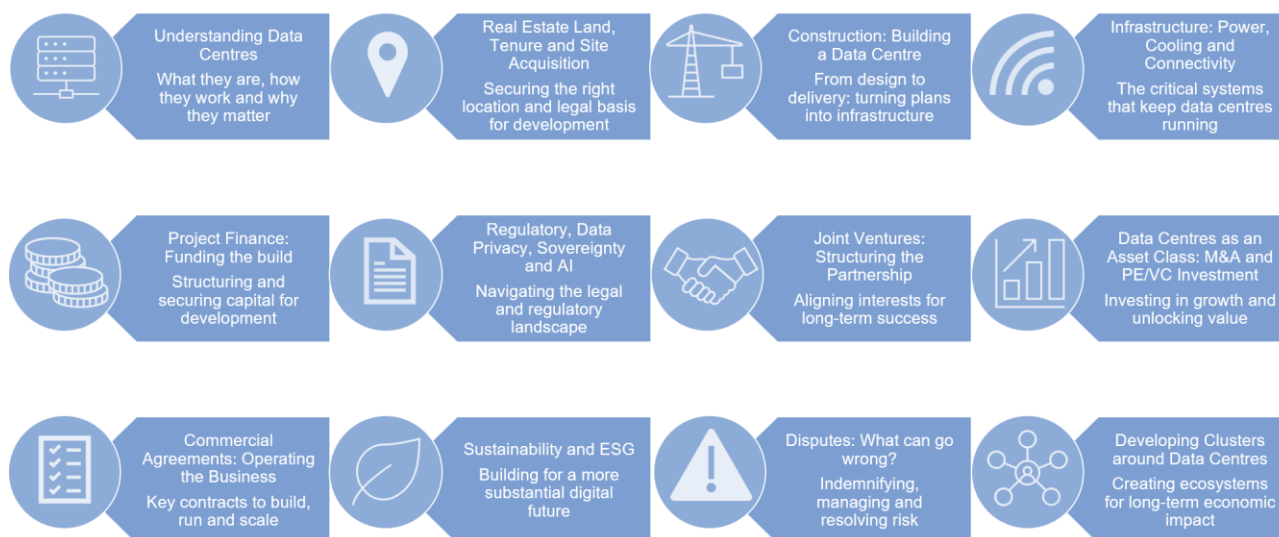


Thought Leadership in AI infrastructure / Data Centres – From Vision to Value

At Trowers & Hamlins we are at the forefront of legal developments and our local Oman, regional and international offices have a proven track record in all core sectors which relate to AI Infrastructure and Data Centres, including:

- (a) joint ventures in the AI sector;
- (b) procurement of complex Data Solutions;
- (c) construction contracts & back-up power arrangements;
- (d) infrastructure management;
- (e) data privacy / regulatory considerations;
- (f) real estate.

To further cement our leading position, we are rolling out a series of articles and intend to host **round table discussions / workshops** among interest-holders / key actors (including Government / Policy Makers, Financiers, Investors, Developers, Service Providers, Regulators) in the AI Infrastructure environment culminating in a comprehensive **whitepaper**, all of which is based on a number of pillars:



Register your interest

If you are interested in participating in **work-shops / roundtable discussions** or have thoughts / contributions on this topic in Oman, we would be pleased to hear from you. Please contact, Leopold Zentner via email: lzentner@trowers.com

Our team

Our multidisciplinary international / cross-border **AI infrastructure thought leadership team** comprises Partners / lawyers across corporate, projects, real estate, construction, energy, finance and technology sectors, enabling us to support clients throughout the AI infrastructure lifecycle.



Leopold Zentner

Partner

International Corporate and Commercial

☎ +968 2468 2940

✉ lzentner@trowers.com



Stephen Sullivan

Partner - Resident Managing Partner

International Corporate and Commercial

☎ +971 2 410 7616

✉ SSullivan@trowers.com



Adrian Jones

Partner - Head of Section

Corporate and Commercial

☎ +44 (0)20 7423 8158

✉ ajones@trowers.com



Nick Harrisingh

Partner

Corporate and Commercial

☎ +44 (0)20 7423 8517

✉ nharrisingh@trowers.com



Nick Green

Partner

International Corporate and Commercial

☎ +971 4 302 5197

✉ ngreen@trowers.com



Josh Partridge

Partner

Energy and Sustainability

☎ +44 (0)20 7423 8534

✉ jpartridge@trowers.com



Kathryn Noble

Partner

Projects and Construction

☎ +44 (0)20 7423 8519

✉ knoble@trowers.com



Yassar Jassani

Partner

Real Estate

☎ +44 (0)20 7423 8145

✉ yjassani@trowers.com



Eileen Duncan

Partner

International Real Estate

☎ +971 4 302 5111

✉ eduncan@trowers.com



Shirin Pishbin

Partner

International Real Estate

☎ +973 1751 5603

✉ spishbin@trowers.com

**Li Ying Teng****Senior Associate**

International Corporate and Commercial

☎ +968 2468 2942

✉ lteng@trowers.com

**Alex Ford-Cox****Senior Associate**

International Corporate and Commercial

☎ +971 2 410 7627

✉ afordcox@trowers.com

**Ethan Chye****Senior Associate**

International Corporate and Commercial

☎ +971 2 410 7626

✉ echye@trowers.com

**Aida Al Jahdhami****Associate**

International Corporate and Commercial

☎ +968 2468 2916

✉ aaljahdhami@trowers.com

**AlShaima Al Hinai****Associate**

International Corporate and Commercial

☎ +968 2468 2902

✉ aalhinai@trowers.com

**Linna Al Kendi****Associate**

International Corporate and Commercial

☎ +968 2468 2932

✉ lalkendi@trowers.com

**Fatma Al Mataani****Trainee Lawyer**

International Corporate and Commercial

☎ +968 2468 2985

✉ falmataani@trowers.com

**Ali Al Toki****Paralegal**

International Corporate and Commercial

☎ +968 2468 2917

✉ aaltoki@trowers.com