

● INSIGHT

Oman: AI Policy - what organizations need to know

yesterday

Summary

Key Takeaways

- **AI Policy Introduction:** Oman introduced a Public Policy for Safe and Ethical Use of Artificial Intelligence Systems in April 2025, applicable to both government and private sectors.
- **Human-Centric Approach:** The policy emphasizes respecting fundamental human rights and ensuring ethical data handling.
- **Compliance Requirements:** Organizations must ensure continuous monitoring, data integrity, transparency, and accountability in AI systems.
- **Ethical Principles:** The policy outlines principles such as humanity, inclusivity, justice, responsibility, and accountability.
- **Cybersecurity and Innovation:** Entities must implement cybersecurity best practices and continuously update AI systems to keep pace with technological advancements.

Things to Consider

- **Ensure compliance with AI Policy:** Organizations should establish robust monitoring, data governance, and accountability frameworks to align with Oman's AI Policy and promote responsible innovation.

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Oman's AI Policy mandates ethical, transparent, and secure AI system use, emphasizing human rights and continuous compliance monitoring.

In line with the National Program of Artificial Intelligence (AI) and Advanced Digital Technologies and Oman Vision 2040, the Ministry of Transport, Communications and Information Technology (MTCIT) introduced a Public Policy for Safe and Ethical Use of Artificial Intelligence Systems (AI Policy) in April 2025. The AI Policy provides a framework for the governance of AI in the Sultanate, applicable to both the Government and private sectors. The AI Policy is an important step for Oman, reflecting its commitment to fostering innovation while addressing the significant ethical, privacy, and security concerns associated with the rapid advancement of AI technologies.

In this Insight article, Chaudhry Muhammad Ali, from AI Busaidy Mansoor Jamal & Co, discusses the AI Policy and how organizations can ensure compliance.

Introduction to the AI Policy and its objectives

The overarching goal of the AI Policy is to establish technical controls and ethical principles for the responsible and secure use and development of AI systems within Oman. The AI Policy emphasizes a human-centric approach, ensuring that AI development and deployment respect fundamental human rights such as privacy, equality, justice, and human dignity, consistent with Islamic principles. The AI Policy also seeks to ensure that AI systems are developed and used safely, responsibly, and with ethical data handling.

The AI Policy defines AI as a domain of computer science focused on developing technologies, algorithms, and systems that analyze data, learn, and simulate human cognitive abilities like vision, language understanding, problem-solving, and decision-making, including systems that can perform specific tasks by analyzing patterns and deriving solutions from provided

data. The definition of AI differentiates between AI applications with 'niche domains' (i.e., domains specialized in performing specialized tasks) and 'general domains' (i.e., domains that comprehensively simulate human intelligence).

Further, the AI Policy defines 'generative artificial intelligence (GenAI)' as a modern branch of AI relying on artificial neural networks to create new or derivative content from training data and capable of generating text, images, and music based on learned patterns.

Additionally, the term 'AI systems' has been defined to refer to software or computing devices that use AI to perform tasks with varying levels of independence, starting from systems requiring continuous human supervision to those capable of adapting and making autonomous decisions.

The AI policy provides definitions of a number of other key concepts involved in the regulation of AI, such as AI ethics, data, personal data, fairness, transparency, accountability/responsibility, inclusiveness, human-centeredness (humanity), explainability, and more.

Policy Statements and compliance for organizations

The AI Policy covers regulations of both government administrative units and public and private sectors that develop, use, or operate AI systems to achieve specific objectives, referring to such entities as 'AI System User Entity' (AI SUE). The AI Policy covers all stages of implementation, from data collection and system design to training, operation, and continuous evaluation, and requires compliance with both technical controls and ethical principles. To ensure compliance, AI SUEs are required to periodically evaluate their performance, including ensuring data integrity, accuracy of outputs, and rectifying biases and harmful content.

Whilst development, facilitation, and regulation of AI remains within the umbrella of the MTCIT, the ministries, public authorities, and organizations responsible for regulating other sectors under their supervision (Regulatory

Authorities) are required to ensure compliance with the AI Policy. The AI Policy is mandatory and must be complied with by AI SUEs. Subject to the MTCIT's permission and to the extent not in conflict with the AI Policy, Regulatory Authorities are permitted to establish additional rules for regulating the use of AI technologies and algorithms.

Requirements and controls for AI SUEs using AI systems

AI SUEs must ensure that AI Systems are practical, viable, and demonstrably beneficial in terms of efficiency, quality, and cost, verifying their alignment with organizational needs before adoption. AI SUEs must have human supervision and control over sensitive and impactful decisions made by AI systems, ensuring the ability to interpret, trace, and analyze the outcomes and their effects on individuals, society, and institutions.

AI SUEs must prioritize understandable explanations for AI decisions, especially in critical sectors like employment and healthcare. The AI Policy requires continuous monitoring of AI system performance, documenting any issues, and taking corrective action. If required, an AI SUE must submit documents and/or information for a compliance check to a Regulatory Authority.

Any use of personal data in an AI system will need to comply with relevant Omani laws, ensuring that such data is used solely for specific authorized purposes, along with implementation of robust data classification and security measures such as encryption, multifactor authentication, and anonymization techniques, to prevent unauthorized or illegal use. Policies for transparency and accountability in AI decision-making, along with clear data management and retention policies and restricted use of analyzed outcomes to their intended purposes, have been required for ethical and compliant AI systems.

Requirements and controls for developing AI systems

An entity deploying AI systems must prioritize comprehensive transparency and sustainability throughout the development lifecycle. This involves transparently documenting the system's purpose, technology, and data used, ensuring this information is readily available for future reference and regulatory submission. AI systems should be designed for environmental and technological sustainability, minimizing their environmental footprint and ensuring long-term viability. Before deployment, the developer must conduct ethical, social, and environmental impact assessments, retaining the results as part of the system's documentation.

Furthermore, ongoing monitoring is required to ensure the responsible operation of AI. This includes maintaining transparency in generated content by implementing measures to prevent misuse for generating harmful or misleading content and providing mechanisms like labelling or explanatory notes to identify AI-generated material.

Algorithm functionality must also be transparent, with clear documentation explaining decision-making logic. Regular reviews and updates are vital to keep pace with technological advancements, alongside periodic accuracy assessments and independent technical audits. Continuous bias monitoring and mitigation are also required to ensure fairness and inclusivity in system outcomes. Finally, robust data privacy and security measures, including access controls and encryption, are essential, along with providing analytical tools and reports to clarify decision-making. Developers must also uphold individual data rights, allowing users to access, correct, and delete their data, and apply cybersecurity best practices to protect against threats.

Ethical principles for use and

development of AI systems

The AI Policy outlines ethical principles under the following three main categories.

Humanity and society

- Respect human dignity and ensure individuals' right to human intervention in sensitive decisions that directly affect their life, safety, or rights.
- Harness AI technologies to promote societal well-being, such as developing intelligent solutions in healthcare, education, and social services.
- Promote AI system use to support sustainable development and protect the environment by improving energy efficiency, avoiding natural resource depletion, and reducing all forms of pollution.
- Consider the economic and social dimensions of widespread AI use, ensuring that benefits are fairly distributed across different social groups and that these technologies do not increase economic disparities.

Inclusivity and justice

- Design systems to prevent bias based on race, gender, religion, or other personal characteristics by applying algorithm auditing techniques and excluding factors that could lead to discrimination, in alignment with Islamic principles and ethical values.
- Ensure diversity in data used for training systems, including representation from different societal groups such as minorities and individuals with disabilities, to ensure fairness and inclusivity.
- Ensure technologies are made accessible to everyone fairly, through collaboration between the Government and private sectors to provide affordable and equitable AI solutions, focusing on enhancing access for low-income groups.

Responsibility and accountability

- Ensure systems are secure from breaches and do not cause any physical or psychological harm.
- Provide clear and effective mechanisms for accountability when errors or damages occur as a result of system use, ensuring easy and clear access to user complaint channels and applying rectification fairly and transparently.
- Ensure the auditability of systems to guarantee compliance with ethical standards, using tools like audit reports, performance logs, and external independent audits.
- Use technological tools to ensure transparency, such as documenting decision-making processes within the system and publishing regular reports that highlight system performance and improvement actions, with involvement from users and stakeholders.
- Provide mechanisms to enable tracking of data sources and standards for their use, making it possible to analyze produced content and understand its impacts, thereby enhancing trust in the systems and ensuring responsible use.

What you need to know

For all entities, public and private, that use or develop AI systems in Oman, compliance with the AI Policy is mandatory. The key takeaways are as follows.

- **Proactive evaluation and monitoring:** Entities must establish continuous monitoring and periodic evaluation processes for their AI systems. The AI Policy requires an ongoing commitment to ensure data integrity, accuracy, absence of biases, or harmful content. Recording of errors and corrective actions is essential.
- **Data governance is critical:** The AI Policy places a strong emphasis on data. Data management policies, including setting up clear retention periods and secure deletion practices, are essential. Use of personal data in AI systems should be compliant with Omani law, and any use of personal data must be under authorization from the data owner and for

defined purposes. The AI Policy requires the implementation of advanced security measures like encryption and anonymization.

- **Transparency and explainability:** AI systems should be designed and used in a clear manner with understandable explanations of their decision-making processes. For developers, this extends to ensuring transparency in algorithm functionality.
- **Ethical considerations are core:** The AI Policy underscores a human-centric approach to AI. All entities must actively work to prevent bias and discrimination in their AI systems, ensure fairness and inclusivity in data, and respect human dignity and rights. There is an explicit requirement for human intervention in sensitive decisions made by AI.
- **Accountability frameworks:** Entities must establish clear mechanisms for accountability, ensuring that developers and users are responsible for AI system outcomes. Complaint channels and mechanisms to contest AI decisions must be established.
- **Collaboration with Regulatory Authorities:** Entities may be required to submit documentation and information about their AI systems to regulatory authorities for compliance and checks. Additionally, regulatory authorities may impose additional provisions, provided they align with the AI Policy. Compliance is not just about avoiding penalties but also about building trust, promoting responsible innovation, and contributing to Oman's vision of a digitally advanced and ethically sound future.
- **Cybersecurity is foundational:** Entities are expected to implement cybersecurity best practices, including regular software updates and penetration testing, which are a mandatory requirement for entities developing AI systems to handle breaches and security threats effectively.
- **Continuous improvement and innovation:** The AI Policy encourages a dynamic approach to AI, requiring regular review and updates of systems to keep pace with technological advancements and international standards.

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