

SOHAR Freezone Rules & Regulations

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Chapter 1:

Ministerial Decision No. 35/2016 Issuing Governing Regulation for Operation of SOHAR Free Zone

Disclaimer:

This document is an unofficial English translation of the original Arabic text of ministerial decision number (35/2016) published in the Official Gazette No. (1134) dated (07 / 02 / 2016). This unofficial English translation is only provided for guidance and the Arabic text is the only one which should be relied upon. In the event of any contradiction or discrepancy between the English and Arabic versions or in the event of any ambiguity in the interpretation of this Governing Regulation, the original Arabic version shall prevail.

Ministry of Commerce and Industry
Ministerial Decision No. 35/2016
Issuing Governing Regulation for Operation of Sohar Free Zone

In accordance with:

- The Free Zones Law promulgated by the Royal Decree No. 56/2002;
- The Royal Decree No. 76/2003 on enforcement of GCC Common Customs Law;
- The Royal Decree No. 1232010 setting up Sohar Free Zone;
- The Ministry of Finance's Approval in its letter No. Finance (64396)/6/3/11673 dated 5/10/2015;

And in the exigencies of public interest, It is resolved as follows:

Article One:

The provisions of the attached Regulation governing the operation of Sohar Free Zone shall be applicable.

Article Two:

Whatever contravenes or conflicts with the provisions of the attached Regulation shall be abolished.

Article Three:

This Decision shall be published in the Official Gazette and shall come into force on the day following the date of its publishing.

Issued on: 21 Rabi I 1437 H
Corresponding to: 21 January 2016

Dr. Ali bin Masoud bin Ali Al Sunaidy
Minister of Commerce and Industry
Chairman of Free Zones Committee

Regulations regulating SOHAR Free Zone

Chapter One

Definitions and General Provisions

Article (1):

In the application of the provisions of these regulations the words and the expressions contained herein shall have the same meaning ascribed to them in the referred to Free Zones Law. The following words and expressions shall have the meaning ascribed to each of them unless the context requires otherwise:

“Law”	The Free Zones Law issued by Royal Decree No. 56/2002.
“Free Zone”	The SOHAR Free Zone.
“SOHAR Free Zone Law”	The SOHAR Free Zone Law issued by Royal Decree No. 123/2010.
“Operating Authority”	SOHAR Free Zone LLC.
“Chairman”	The chairman of the board of directors of SOHAR Free Zone LLC.
“Customs Territory”	Any territory contained within the borders of the Sultanate of Oman excluding free zones.
“Secretariat”	The Secretariat General for Taxation, at the Ministry of Finance.
“Plot Application Form”	The application form issued by the Operating Authority and completed by SFZ Users for the purpose of receiving a plot of land, and such form shall contain the conditions and rules relating to environmental matters and the registration of activities in the One Stop Shop.
“Free Zone Users”	Working Companies, Service Providers and employees in the Free Zone.
“Working Companies”	Any commercial, financial, conversional or service company, establishment or entity and its branches or Omani or Foreign commercial representative offices; licensed to conduct the permitted activities within the Free Zone.
“Service Providers”	Establishments and companies, other than the Working Companies, that provide Working Companies with services such as electricity, water, telephone, goods transportation, restaurants, transportation, freight and other services required by Working Companies.
“License”	A license to conduct an activity within the Free Zone.
“Competent Authorities”	Any government body which has jurisdiction in respect of all or part of the Free Zone activity and authorized to conduct activities within the Free Zone.

Article (2):

The Operating Authority shall assume responsibility for the management and development of the Free Zone, and the promotion of international trade and transit trading, for supervising the business at the Free Zone, and shall assume the following in particular:

- a. Propose plans and programs for the development of the Free Zone and to present the same to the Committee.
- b. Propose draft regulations, decisions, rules and controls pertaining to the planning of the lands and using the same in the Free Zone and presenting them to the Committee.
- c. Issue all licenses in the Free Zone after obtaining consent of the Competent Authorities through the One Stop Shop.
- d. Prepare forms of licenses and permits necessary for work within the Free Zone and forms of lease and usufruct agreements and investment agreements.
- e. Provision of security, safety and emergency services within the Free Zone.
- f. Issue of instructions in relation to movement of persons, vehicles and machinery within the Free Zone.
- g. Undertake the following controls:
 1. Fixing work timings at the Free Zone.
 2. Entry and exit permits for persons and vehicles.
 3. Construction and operations.
 4. Insurance of goods and establishments within the Free Zone.
 5. Sale of goods by public auction and disposal of goods.
 6. Controls in relation to violations within the Free Zone and their presentation to the Committee.
 7. Determination of the number of foreign labor within Working Company in a way that commensurate with the nature of the activity of the Working Company.

Article (3):

The Operating Authority shall receive fees for licenses, permits and approvals and the consideration of the environmental services as stated in the attached Schedule.

Article (4):

The Operating Authority shall undertake, through the One Stop Shop, the granting of licenses, permits and approvals in relation to the Working Companies in the Free Zone on behalf of the Competent Authorities, and in order to achieve such end, the Competent Authorities shall be obligated in accordance with the applicable legislation to appoint their employees to undertake the works of the One Stop Shop as specified by the Operating Authority to undertake the mandate of such Competent Authorities.

Article (5):

Taking into consideration the customs procedures implemented in the Customs Territory, the Operating Authority may issue the necessary procedures for the entry and exit of goods in to the Free Zone in coordination with the Royal Oman Police.

Chapter Two

Regulations Governing License

Article (6):

Free Zone Users shall not be allowed to conduct business except after obtaining one of the following licenses:

- a. A Working Company license.
- b. A Service Provider's license.

Article (7):

The Working Company shall be allowed to conduct the following activities within the Free Zone:

- a. Commercial activity: which includes import, export, general trading, storage and handling within the Free Zone.
- b. Industrial activity: which includes works based on manufacturing, re-assembling and remanufacturing.
- c. Service activity: which includes logistics and consultancy services and any other services required for the activity of the Working Companies.
- d. Banking and financial activities: which includes banks, foreign exchange and money transfers.
- e. Educational activity: which includes schools and institutes.
- f. Health activities: which includes hospitals, health centers, laboratories, pharmaceuticals and specialized health centers.
- g. Any other activities required for the business within the Free Zone in a manner that is not in conflict with the applicable laws in the Sultanate of Oman.

Article (8):

The Operating Authority shall prepare a list of activities and works prohibited within the Free Zone, and it may amend such list when necessary after coordinating with the Committee.

Article (9):

The Operating Authority shall issue a Service Provider License for companies providing services such as electricity, water, telephone, mail, transport, and catering services, and other services required by the Working Companies.

Article (10):

It is not allowed to conduct any activity or business within the Free Zone except after obtaining the relevant License from the Operating Authority. In case Free Zone Users want to conduct more than one of the activities, they shall obtain a License for each activity in accordance with the provisions of this regulation.

Article (11):

1. The Working Company shall register in the Working Companies' register in the Free Zone in accordance with the applicable procedures in this regard.
2. The Service Providers shall be registered in the Services Providers register in the Free Zone in accordance with the applicable procedures in this regard.
3. The License shall be issued after the payment of the prescribed fees.
4. The License shall specify the activities that are permitted to be conducted by the Licensee.

Article (12):

The license application shall be submitted to the Operating Authority on the form prepared for this purpose attaching all documents stated in such form and the Plot Application Form or the lease application form.

Article (13):

The Operating Authority shall notify the applicant for the License of its approval or refusal within fifteen (15) business days from the date of the completion of the required documents, or any additional period necessary to assess the environmental studies in connection with the issuance of an environmental permit for the project, and the lapse of such period shall be considered refusal of the application, and the applicant may re-apply after the elapse of six (6) months following the date of such refusal. And in all cases, the concerned party may appeal against such refusal decision within sixty (60) days from the date on which they were notified of the decision of the refusal or from the date on which they become aware of the refusal decision, and the appeal shall be determined within thirty (30) days from the date of its submission, and the lapse of such period shall be considered refusal of the appeal.

Article (14):

The application for a license shall be deemed canceled if the applicant has not completed the required documents within fifteen (15) business days from the date of being notified of the same, or any additional period the Operating Authority agrees to.

Article (15):

The License shall be valid for one (1) calendar year starting from the date of issuance, to be annually renewed, on fulfilling the following requirements:

- a. The validity of License.
- b. The validity of the lease agreement.
- c. The payment of all financial obligations due to the Operating Authority.
- d. The payment of renewal fees.

Chapter Three

Benefits and Incentives of the Working Company

Article (16):

The Working Company shall enjoy the incentives and concessions provided for in the Law and the Sohar Free Zone Law, and shall specifically be eligible for the following:

- a. Exemption from the minimum investment capital requirement stipulated in the Commercial Companies Law or any other law.
- b. Exemption from the application of the provisions of the Commercial Agencies Law.
- c. Exemption from taxes with respect to the incentives and benefits granted to the Working Company.

Article (17):

The Working Company may sub-let plots of land or facilities to third parties by virtue of a sub-lease agreement subject to the following:

- a. Obtaining the Operating Authority's written approval of the sub-lease.
- b. Registering the tenant as a Working Company within the Free Zone in accordance with the rules and procedures applicable in this regard.
- c. Payment of the financial obligations due to the Operating Authority and registration of the lease agreement.
- d. Providing a written undertaking evidencing the responsibility of the Working Company jointly with the tenant for any liabilities towards the Operating Authority and other relevant entities.
- e. Availability of sufficient area for the Working Company to conduct its activity.

Article (18):

The following conditions apply for the granting of tax exemption to the Working Companies in the Free Zone for a period of ten (10) years:

- a. It shall be registered in the Working Companies' register maintained by the Free Zone.
- b. It shall obtain a License pursuant to the laws and regulations regulating the conduct of the activity.
- c. It shall enter into a lease agreement or an investment agreement with the Operating Authority.
- d. It shall conduct its activity within the Free Zone.
- e. The percentage of Omanisation shall not be less than fifteen percent (15%).

Article (19):

The renewal of tax exemption for a number of periods shall be as follows, provided that such renewal shall not exceed twenty-five (25) years:

- a. For five (5) years following the first ten (10) years, provided the percentage of Omanisation is not less than twenty-five percent (25%).
- b. For five (5) years following the fifteenth (15th) year, provided that the percentage of Omanisation is not less than thirty-five percent (35%).
- c. For five (5) years following the twentieth (20th) year, provided that the percentage of Omanisation is not less than fifty (50%).

Article (20):

The decision for exemption as set forth herein shall be issued in accordance with the following procedures:

- a. With respect to the Operating Authority, the board of directors of the Operating Authority shall present the application to the Chairman for approval and thereafter shall be referred to the Minister responsible for the Financial affairs accompanied with all the exhibits pertaining to the Operation Authority.
- b. Regarding the Working Company, the Operating Authority shall study and consider the application and prepare a statement containing its opinion in respect of the exemption and approve the same by the Chairman and shall specify the following particulars:

- 1) The extent of satisfaction of the conditions stated herein.
- 2) The date of validity of the License, the lease agreement or the investment agreement.
- 3) The Chairman shall refer the memorandum to the chairman of the Committee for approval and thereafter shall refer it to the Minister responsible for the Financial Affairs accompanied with all the documents submitted by the Working Companies, provided that the referral shall take place within thirty (30) days from the date of the statement.

Chapter Four

Rules for Tax Exemption at the Free Zone

Article (21):

1. Tax and Customs Exemption Department at the Secretariat shall undertake to inform the Working Company of the decision issued in respect of the application for exemption.
2. The Secretariat shall open separate files for each of the Working Companies to ensure their compliance with the regulations and conditions provided herein.
3. In the event the Working Company violates the regulations and conditions stated herein the Operating Authority shall notify the Working Company of the necessity of correcting such violation within one (1) month of such notification, and a copy shall be sent to the Secretariat.
4. The Secretariat shall have the right to coordinate with the Operating Authority to undertake the procedures for investigation and inspection of the Working Company to ensure its adherence to the regulations and conditions related to the tax exemption provided for herein.

Article (22):

The Working Company shall undertake to maintain regular accounts of its activities approved by an accounts auditor licensed to conduct the profession of accounting and auditing, and shall provide the Secretariat with such accounts.

Article (23):

The Minister Responsible for Financial Affairs, upon the request of the Secretariat, shall undertake the following procedures:

- a. Suspend the exemption decision on provisional basis until submission of the Working Companies' accounts and of evidence indicating the company's adherence to the percentage of Omanisation set forth in Article (19) herein.
- b. Withdrawal of the exemption decision if it becomes apparent that the same has been based on illegal cause.
- c. Cancellation of the exemption decision as of the date on which the Working Company ceases conducting its activity within the Free Zone or no longer satisfies any of the conditions and regulations legally required for exemption. In all cases, the Secretariat shall notify the Operating Authority and the Working Companies of the decision of suspension, withdrawal or cancellation of the exemption.

Article (24):

The Working Company shall present a tax statement at the end of every year including a list of its employees and the achieved percentage of Omanisation as on the date of the submission of the tax statement. Tax exemption shall not be applicable to Working Companies that have not achieved the following minimum Omanisation percentages:

- 15% from the first to the tenth year.
- 25% from the eleventh to the fifteenth year.
- 35% from the sixteenth to the twentieth year.
- 50% from the twenty first year to the twenty fifth year.

And in the event of not achieving the required minimum percentage in any year:

- a. it shall not be permissible to extend the period of exemption during that year.
- b. any profit mentioned during that tax year should be subject to the applicable income tax.
- c. it shall not be permissible to transfer any accumulated losses in the annual statement in the above mentioned statement of profit or loss.
- d. The tax exemption shall not be effective except by the issuance of a certificate to such effect from the concerned authority through the One Stop Shop.

Article (25):

The Working Company may sell their products and provide their services within the Customs Territory in accordance with the relevant procedures in this regard.

Chapter Five

Principles of Entry and Exit of Goods

Article (26):

1. Goods shall be allowed into the Free Zone and exported outside the Sultanate of Oman or to any other free zone without being subject to customs duty.
2. Re exported goods from inside the Country may be allowed to enter the Free Zone subject to the applicable export restrictions and customs procedures applicable in cases of re-exporting.
3. The goods in the Free Zone shall not be subject to any restriction in terms of the period the goods may remain within the Free Zone

Article (27):

The following goods shall be prohibited from entering into the Free Zone:

- a. Goods originating from countries which the Sultanate of Oman decides to economically boycott.
- b. Narcotics and their derivatives with the exception of those required for the manufacturing of medicines and pharmaceutical materials.
- c. Arms, ammunitions and explosives unless a License to that effect is obtained from the Competent Authorities.
- d. Chemical materials or radioactive materials with the exception of those allowed to be imported by the Competent Authorities in accordance with the conditions and regulations laid down by such Competent Authorities.
- e. Toxic wastes with harmful effects on the environment.
- f. Goods violating laws related to the protection of intellectual, commercial, industrial, literary and artistic property rights where decisions thereto have been issued by the Competent Authorities.

Article (28):

The owners of the goods set forth in Article (27) herein shall undertake to pay compensation for each damage or defect or loss arising from bringing such prohibited goods into the Free Zone, and such goods shall be disposed of pursuant to the provision of the Unified Customs Law.

Article (29):

Goods imported from outside the Sultanate of Oman shall be allowed into the Free Zone in accordance with the following procedures and with due observance of other procedures set forth by the Operating Authority or the Competent Authorities in the Customs Territory:

- a. Customs employees shall prepare a statement of transit through the border crossing point through which the goods enter, to be addressed to the Free Zone in accordance with the procedures adopted in this regard, and such goods shall be dealt with as those goods transiting the Customs Territory, provided that the owner of such goods or his representative shall present a guarantee in accordance with the Unified Customs Law and in an amount equivalent to the customs duty.
- b. Customs employees in the Free Zone shall verify the customs statements at the Free Zone's entry points and record them in the register prepared for this purpose.
- c. Employees of the Operating Authority or the Working Company shall, as the case may be, take delivery of the goods after a preliminary inspection by the customs employees and evidence their entry and fill in the inspection form, and the Free Zone's customs shall provide the Operating Authority with copies of such inspection forms.

Article (30):

Foreign goods imported from inside the Customs Territory shall enter the Free Zone through the Free Zone's customs by virtue of a certificate of origin and a bill from the exporter and export or re-export customs statement shall be prepared in accordance with the procedures set forth in Article (29) of this regulation.

Article (31):

Vehicles, equipment and machinery from inside the Customs Territory shall be allowed into the Free Zone through the Free Zone's customs by the owner or his representative, provided that a financial liability clearance or export certificate or evidence indicating that there is no mortgage on such Vehicles, equipments and machineries in favour to any party, is presented in accordance with the procedures set forth in Article (29) of these regulations.

Article (32):

Goods shall be taken out of the Free Zone in accordance with the following procedures, and subject to any other procedures specified by the Operating Authority:

- a. The owner of goods or his authorized representative shall submit the application of taking out the goods as per the form prepared for such purpose, accompanied by the relevant invoice.
- b. Payment of any relevant fees to the Operating Authority.
- c. Bringing the goods into the customs yard for inspection and identification purposes based on the request of the Free Zone's customs.
- d. Preparing a customs statement providing for the contents of the form of taking out the goods.
- e. Approval of the application of the taking out the goods by the Operating Authority permitting the exit of the goods from the Free Zone.

Article (33):

It shall be permissible for Working Companies to temporarily bring goods into the Customs Territory without the payment of customs duties in accordance with the following procedures and subject to any other procedures set forth by the Royal Oman Police (Directorate General of Customs) and the Operating Authority, with due observance of any other regulations provided for in the Unified Customs Law pertaining to the rule of the temporary entry of Goods:

- a. The purpose of entry into the Customs Territory is for repairing, treatment, testing or maintenance of such goods, provided that such goods are not available in the Free Zone or with the aim of participating in promotional exhibitions and fairs.
- b. Providing sufficient guarantees in accordance with the Unified Customs Law and in amount equivalent to the customs duties.
- c. Entry shall be for six (6) months and renewable one time only.

Article (34):

The Working Company shall be fully responsible towards the Operating Authority and the Directorate General of Customs for all goods in its possession; whether it owns them or stores them for third parties, and the Working Companies shall keep records and entries pertaining to the aforesaid pursuant to the regulations issued by the Operating Authority.

Article (35):

Each of the Working Company, customs brokers, representatives and customers dealing with the Free Zone shall be fully responsible for the accuracy of the documents and particulars they provide and shall be liable in respect of any legal procedures in relation thereto.

Article (36):

Goods taken out of the Free Zone into the Customs Territory shall be treated as foreign goods, even if such goods contain domestic primary materials or components previously subject to customs duties prior to being brought into the Free Zone.

Article (37):

Goods manufactured or assembled within the Free Zone shall be treated as goods of domestic origin with the purpose of being exported overseas.

Article (38):

The Operating Authority may sell, dispose of or use abandoned goods within the Free Zone after ninety (90) days following their abandonment, and no claim shall be accepted in relation thereto after the lapse of such period.

Chapter Six

Rules of Responsibility

Article (39):

1. If Free Zone Users fail for any reason, within ninety (90) days from the expiry of the lease agreement, to remove the buildings or facilities constructed by them, and to evacuate the leased premises from all its contents, the Chairman may order evacuation and removal at the expense of the tenant, and order the contents of the leased premises to be stored against daily storage fees at their expense in warehouses or public yards, and the Free Zone shall not be held responsible for any damage or loss to such goods due to evacuation or removal.
2. If the period stipulated in Article (a) above elapses, without the Operating Authority expressing its desire for the contents of the leased premises to be reverted to it, it may, after the lapse of ninety (90) days after notifying the tenant or his legal representative in writing of such sale, sell such contents by a public auction in accordance with the prescribed regulation in this regard.

Article (40):

The Operating Authority shall recover full of its financial entitlements payable by the tenant from the proceeds of the sale of goods and contents, and in the event the value of sale exceeds such entitlements, the balance thereof shall be deposited in the bank account of the Operating Authority in favor of the tenant, and in the event the value of the sale is not enough to settle such entitlements, they shall be claimed in accordance with the procedures applicable for the settlement of the financial dues of Operating Authority.

Article (41):

In the event it is not possible to sell the contents for whatsoever reason, the Chairman may order them disposed in accordance with the rules and procedures applicable in this regard, and the Operating Authority may seek recourse against the tenant for the settlement of all resulting costs, and the tenant shall not claim the recovery of goods or their value.

Article (42):

Free Zone Users shall be liable for the actions of all their employees within the Free Zone.

Article (43):

The Working Company shall be liable jointly with the depositors of goods with it, in respect of any fees due to the Operating Authority regarding such goods stored by third parties.

Article (44):

The Working Company shall provide an insurance policy for the goods it stores in the Free Zone, whether owned by it or by third parties in accordance with the regulations prescribed in this regard, and in the event such an insurance policy is not provided, the Operating Authority shall, at the expense of the Working Companies, insure the goods, and the Operating Authority may add ten percent (10%) of the value of the policy as service fees.

Chapter Seven

Penalties

Article (45):

Without prejudice to any penalties provided for in another law, the Operating Authority may impose the following penalties:

- a. To serve a written warning to the violator of a period one week.
- b. Imposing a financial fine on the violator not to exceed Omani Rials Five thousand (OMR 5,000).
- c. Prohibiting the violator from entering the Free Zone for a period not to exceed one (1) year.
- d. Suspending the violator from working for a period not to exceed three (3) months.
- e. Preventing the violator from conducting business within the Free Zone, including being prohibited from taking goods out until such violation is rectified.

Article (46):

The Operating Authority may withdraw the license if it was issued on the basis of cheating or fraud. And the Operating Authority may cancel the license or terminate the lease contract in any of the following cases:

1. Failure to start building and construction works and preparation of the site within six (6) months from the issuance of the license without setting forth justifiable reasons.
2. If the activity set forth in the license is not conducted for six (6) months from the date of issuance of the license without justifiable reason.
3. If the activity set forth in the license is suspended for six (6) months without justifiable reason.
4. If payment of accrued rentals is delayed for six (6) months from their due date.
5. If the lease agreement is not renewed, or is terminated for any reason.
6. Bringing prohibited goods into the Free Zone.
7. Practicing any activities in violation of the provisions of this regulations or laws or regulations adopted in the Free Zone. The concerned party may appeal against any decision within sixty (60) days of being notified of the decision or being aware of such and the appeal shall be determined within thirty (30) days from the date it is presented, and the lapse of this period without a reply shall be considered as refusal of the appeal.

Chapter Eight Final Provisions

Article (47):

The laws and regulations applicable in the Sultanate of Oman shall apply within the Free Zone in a manner that does not contradict with the Law and the Sohar Free Zone Law, these regulations and the nature of activities conducted in the Free Zone.

Article (48):

The Operating Authority shall, upon the expiry of the lease agreement for any reason, notify the Competent Authorities to that effect.

Article (49):

Free Zone Users shall, in the event its lease agreement is terminated for any reason, disclose all the particulars relating to the foreign employees, cancel their residence visas and ensure their departure from the Sultanate of Oman in accordance with the applicable laws in this regard.

Article (50):

1. Free Zone Users shall abide by the laws, rules and regulations relating to health, safety and protection of environment.
2. Government authorities concerned with security, health, safety and protection of environment may, in coordination with the Operating Authority, enter into any part of the Free Zone to inspect and verify compliance with legal requirements.
3. The Operating Authority shall undertake not to grant licenses for conducting economic activities to industrial projects except after provision of an environmental impact assessment as necessary in relation to the nature of the project and obtaining an environmental permit from the relevant authorities.

Article (51):

The Operating Authority shall specify the Service Providers within the Free Zone and Free Zone Users shall not deal except with the Service Providers licensed by the Operating Authority.

Fees Schedule

First: Incorporation fees

Incorporation fee for Industries (for one time)	OMR 1,550 (Omani Rials One thousand five hundred fifty only)
Incorporation fee for Logistics and Light Industries (for one time)	OMR 1,050 (Omani Rials One thousand fifty only)
Daily Storage Fees in Public Stores and Yards	Storage in Open Yards - OMR 3 per month / m2 (Omani Rials Three per month per square metre) Storage in Stores - OMR 10 per month / m2 (Omani Rials Ten per month per square metre (depending on the type of goods).

The incorporation fee includes: fee for registration with Ministry of Commerce and Industry, fee for the membership of Oman Chamber of Commerce and Industry for 1 year, P.O. Box rental for 1 year, prequalification with utility companies, and any other governmental fee. The fee for registration with the Ministry of Commerce and Industry, fee for the membership with the Oman Chamber of Commerce and Industry, the rental of the P.O. Box, and the fee for prequalification with utility companies, shall be considered as fees to be paid annually.

Second: Working Companies License fees

Logistics License, (annually renewable)	OMR 385- per year (Omani Rials Three Hundred Eighty Five per year)
Industrial License, (annually renewable)	OMR 385- per year (Omani Rials Three Hundred Eighty Five per year)
Light Industries & Assembly license, (annually renewable)	OMR 385- per year (Omani Rials Three Hundred Eighty Five per year)
General Trading License, (annually renewable)	OMR 3000 - per year (Omani Rials Three Thousand per year)

Third: Service Provider License fees

Service Provider license, (annually renewable)	OMR 560- per year (Omani Rials Five Hundred Sixty per year)
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Fourth: Permit fees

Work Permit on a plot of land that does not exceed a measuring area of 30,000 Sq.M. (Thirty Thousand Square Metres)	OMR 500 (Omani Rials Five Hundred only per permit)
Work Permit on plots their measuring area not exceeding 30,000 Sq.M (Thirty Thousand Square Metres)	OMR 1,000 (Omani Rial One Thousand per permit)
Work Permit on Common Areas	OMR 350 (Omani Rials Three Hundred Fifty per permit)
Special Transport Permit	OMR 350 (Omani Rials Three Hundred Fifty per permit)
Sublease permit	OMR 770 (Omani Rials Seven Hundred Seventy per year)

Fifth:

Other One Stop Shop activities: Other than what has been provided in this schedule, all other services shall be subject to a service fees of (7.5%) Seven and half percentage of the total fees collected by the Competent Authorities.

Chapter 2:
Decision No. 1152/2/1/2023-63
Determining the Fees of Services Provided by The Public
Authority for Special Economic Zones and Free Zones

Disclaimer:

This document is translated by THE WORD FOR LEGAL TRANSLATION Agency of the original Arabic text of decision number (1152/2/1/2023-63) published in the Official Gazette No. (1498) dated (12 / 06 / 2023). This unofficial English translation is only provided for guidance and the Arabic text is the only one which should be relied upon. In the event of any contradiction or discrepancy between the English and Arabic versions or in the event of any ambiguity in the interpretation of this Governing Regulation, the original Arabic version shall prevail.

Decision No. (1152/2/1/2023-63)**Determining the Fees for Services Provided by the Public Authority for Special Economic Zones and Free Zones (OPAZ)****Pursuant to:**

The Royal Decree No. 105/2020 establishing the Public Authority for Special Economic Zones and Free Zones and determining its competencies, and Royal Decree No. 10/2022 establishing Free Zones at Muscat International Airport and Sohar and Salalah Airports; and Decision No. 22/2010 issuing Governing Regulations for Operation of Al-Mazunah Free Zone, and Ministerial Decision No. 15/2010 issuing Governing Regulations for Operation of Salalah Free Zone, and Decision No. 8/2016 determining the fees for services provided by the Authority of the Special Economic Zone at Duqm; and Ministerial Decision No. 35/2016 issuing Governing Regulations for Operation of Sohar Free Zone, and the approval of the Ministry of Finance, and the approval of the Board of Directors of the Public Authority for Special Economic Zones and Free Zones, and based in the exigencies of public interest. It is resolved as follows:

Article One:

The fees for the services provided by the Public Authority for Special Economic Zones and Free Zones shall be determined according to the attached table. Regarding matters for which there is no special provision in this Decision, the Public Authority for Special Economic Zones and Free Zones will impose - in return for the services it performs - the same fees collected by the concerned authorities stipulated in the relevant laws and regulations and decisions implementing them.

Article Two:

The fees referred to in the first article of this decision shall be reduced by fifty percent (50%) for micro, small and medium enterprises.

Article Three:

The Public Authority for Special Economic Zones and Free Zones shall impose an administrative fine of (5%) five percent of the value of the fee due for the services it provides for every (30) days of delay. The delay period is calculated after (30) days from the due date the fees become due. The part of the month is increased to a full month and the part of the Omani Rial will be increased to one Omani Rial.

Article Four:

The aforementioned Decision No. 8/2016 is hereby repealed, as well as all that is contrary to this decision, or in conflict with its provisions.

Article Five:

This decision shall be published in the Official Gazette and shall come into force on the day following the date of its publication.

Issued on: 23 Dhul Qadah 1444
Corresponding to: 12 June 2023

Dr. Ali Bin Masoud Alsunaidi
Chairman of the Public Authority for Special Economic Zones and Free Zones

Schedule of fees for services provided by the Public Authority for Special Economic Zones and Free Zones

1- Fees for registration in the commercial register and registration of contracts:

S	Service	Fees in Omani Rial	Due Date
1	Registration of the project in The Commercial Register and renewal	(250) Two Hundred and Fifty	Upon registration for the first time, and when renewed every (5) five years
2	Registration of amending commercial registration data	(5) Five	When the amendment is registered
3	Registration of mortgage contracts	(0.5%) half a percent of the credit facilities, not exceeding (OMR 10,000) Ten Thousand	When registering a mortgage
	Mortgage release	(100) One Hundred	Upon release of the mortgage
4	Registration of the land usufruct contract	(0.5%) half a percent of the total value for the agreed usufruct, not exceeding (OMR 10,000) Ten Thousand	When registering the contract
5	Registration of a real estate unit sale contract	(0.5%) half a percent of the unit value, not exceeding (OMR 300) Three Hundred	When registering the contract
6	Tenancy Contract Registration	(3%) Three percent of the annual rent value	When registering the contract, and when it is renewed annually

2- Fees for Licensing to Practice Economic Activities:

S	Service	Fees in Omani Rial	Due Date
1	Heavy Industry Industrial Activity License	(750) Seven Hundred and Fifty	When issuing the license every (3) three years
2	Industrial Activity License for Medium Industries	(450) Four Hundred and Fifty	
3	License of light industrial activity	(150) One Hundred and Fifty	
4	Business License	(600) Six Hundred	
5	Tourism Activity License (First Category): - Five star hotel (5) -Four star hotel (4) -Luxury hotel apartments	(3200) Three Thousand Two Hundred	When issuing the license every (5) five years
6	Tourism Activity License (Second Category): -Hotel (3) three stars -Excellent hotel apartments	(2400) Two Thousand Four Hundred	When issuing the license every (5) five years
7	Tourism Activity License (Third Category): - 2-star hotel -Luxury tourist camps	(1000) One Thousand	
	-Tourist camp -Tourist break -Popular Manor	(300) Three Hundred	
8	Tourism Activity License (Fourth Category): - Hotel (1) 1 star -Standard hotel apartments	(800) Eight Hundred	
9	Licensing of Other Tourism Activities: -Tourist restaurants (independent) -Temporary installations -Tourist Guidance Office -Travel & Tourism Office -Tourist transport activities -Marine Sports Organization - Organizing shops, centers, and entertainment arts.	(300) Three Hundred per activity	
10	Permit to hold a temporary exhibition or event	(30) Thirty	When you place the application
11	Licensing the exploitation or management of existing hotel and tourist establishments on a time-sharing system.	(600) Six Hundred	When issuing the license every (5) five years
12	License to deal with companies to market or exchange time-sharing weeks	(600) Six Hundred	
13	Mining licenses (includes all types of mining licenses)	(500) Five Hundred for each mining site for one year	Upon submitting the application and renewing it for each mining site every (5) five years
14	Updating mining log data including all updates related to legal or technical and other actions and amendments	(100) One Hundred	When applying for each service
15	License for the sale, distribution and serving of alcoholic beverages	(9000) Nine Thousand	When issuing and renewing the license every (3) three years
16	Shisha License	(9000) Nine Thousand	When issuing and renewing the license every (3) three years
17	License for the sale and distribution of tobacco	(9000) Nine Thousand	When issuing and renewing the license every (3) three years

3- Investors' Business Licenses:

S	Service	Fees in Omani Rial	Due Date
1	Investor license for a period of (2) years	(200) Two Hundred	When issuing and renewing the license
2	Investor license for a period of (5) five years	(300) Three Hundred	
3	Investor license for a period of (10) ten years	(500) Five Hundred	

4- Environmental Permit Fees:

S	Service	Fees in Omani Rial	Due Date
1	Issuance or renewal of environmental permit (Category I)	(900) Nine Hundred	When submitting the application and renewing it every (3) three years
2	Issuance or renewal of environmental permit (Category II)	(600) Six Hundred	
3	Issuance or renewal of environmental permit (Category III)	(300) Three Hundred	
4	Hazardous Chemicals Manufacturing License	(200) Two Hundred	When submitting a one-time application
5	Licensing of Hazardous Chemicals Trading at Local Level	(100) One Hundred	
6	Environmental License to Operate Combustion Sources	(25) Twenty-Five	Upon placing an order, it is paid by the carrier, on a one-time basis
7	Authorization for dumping solids into the marine environment	(200) Two Hundred Baisas per ton up to (50,000) Fifty Thousand tons, then (100) Hundred Baisas per ton for more than (50,000) Fifty Thousand tons	
8	License for the transport of liquids between offshore installations	(100) One Hundred per ship	When submitting a one-time application
9	License for the discharge of effluents into the marine environment	(30) Thirty	
10	Drainage License (Treated Wastewater)	Fifty (50)	
11	Drainage license (wastewater in evaporation pools)	Fifty (50)	
12	Discharge license (water returned from desalination plants)	Fifty (50)	
13	Waste Management License	(30) Thirty	
14	Climate Affairs Licenses	(200) Two Hundred	
15	Licensing the import, transport, use and storage of radioactive materials in the industrial, commercial, and medical fields	Fifty (50)	Upon submission of the application

5- Fees for Urban Planning, Building Permits and Engineering Affairs Services:

S	Service	Fees in Omani Rial	Due Date
1	Building permit (building permit): (Includes approval of general plans and facades, approval and review of engineering drawings and excavations)	(200) Two Hundred for a project whose construction percentage does not exceed (5000) Five Thousand square meters, in addition to (25) Twenty-Five Baisas for each additional square meter	When submitting the application and renewing it every (3) three years
2	Building Permit Renewal (Building Permit)	(200) Two Hundred	When submitting the application and renewing it every (3) years
3	Issuing a sketch of the lands	(30) Thirty	When issuing the drawing
4	Temporary Labor Camp Permit	(100) One Hundred	Upon submission of the application
5	Building Completion Certificate	(5) Five	Upon submission of the application
6	Land leveling permit or soil reinforcement works	(100) One Hundred	When submitting the application and renewing it annually
7	Asphalt Road Blocking Permit	(30) Thirty	
8	Permit to dig under the road	(30) Thirty	
9	Permit to install signs, or brackets in the path of the road or its prohibitions	(30) Thirty	
10	Permit for agriculture, excavations, backfilling, and others inside the roa	(30) Thirty	
11	Permit for extensions of services under the road (electricity - water - gas telephone - sewage - lighting poles)	(30) Thirty	
12	Permit to operate equipment and vehicles of exceptional weights and dimensions on the road	(30) Thirty	
13	Permit for the construction of intersections, entrances, and exits	(30) Thirty	
14	Road Construction Permit	(30) Thirty	
15	Delivery of signs to sites	(10) Ten per mark (point)	
16	Approval of the detailed survey report	(50) Fifty per (1000) Thousand square meters, plus (10) Ten Baisas per square meter with a maximum of (1000)	When the report is approved
17	Approval of markers	(100) One Hundred per (1000) thousand square meters and thereafter increased (25) twenty-five Baisas for each additional meter.	When approving the scheme
18	Modify charts	(100) One Hundred per (1000) One Thousand square meters, plus (25) Twenty-Five Baisas per square meter with a maximum of (1000) One Thousand	Upon approval of the amendment
19	Modification of blueprints (engineering drawings, project in construction and construction board rendering)	(10) Ten	Upon adoption of the amendment

6- Fees for approvals, certificates, and documents services:

S	Service	Fees in Omani Rial	Due Date
1	Permit signs, billboards and signals on shops, cars, roofs, and facades of buildings, on streets, posters, and publications	(150) One Hundred and Fifty for each category	Upon submission of the application
2	Building Naming License	(100) One Hundred	
3	Change the shop board	(10) Ten	
4	Issuing a certificate of exporting samples for scientific research purposes	(10) Ten	
5	Issuance of To Whom It May Concern Certificate	(5) Five	
6	Issuing a certificate of dumping foodstuffs for commercial establishments	(25) Twenty-Five	
7	Issuing approval for the operation of beverage equipment in public places and vehicles of companies for transporting water, foodstuffs, or marketing fish	Fifty (50)	Upon submitting the application and renewing the service for every (3) three years
8	Issuing permits for beverage refrigerators and commercial hot drink appliances in public places (not including site rent and electricity expenses)	Fifty (50)	
9	Issuing a health license for vehicles of companies for transporting water, selling foodstuffs, or transporting and marketing fish, (except for vehicles transporting drinking water owned by Omani individuals)	Fifty (50)	
10	Issuing a health card	(10) Ten	Upon submission of the application and renewal for every (2) years
11	Issuing a parking permit for a vehicle: A. Reserve public parking B. Meter Parking Permits	(30) Thirty per month per position	Upon submission of the application
12	Request copies of licenses, permits, certificates, approvals and any other document or publication	(10) Ten	
13	Notarization of commercial contracts	(10) Ten	
14	Permit to recruit and operate an artistic troupe from outside the Sultanate of Oman	(250) Two Hundred and Fifty not exceeding (3) three persons in each application	

7- Permits for service suppliers with temporary contracts:

S	Activity	Amount of fee in Omani Rials	Maturity Period
1	Main Contractor Permit	(100) One Hundred	When applying for each year
2	Subcontractor Permit	Fifty (50)	
3	Food Supplier Permit	(100) One Hundred	
4	Cleaning Services Supplier Permit	Fifty (50)	
5	Consultant Permit	(100) One Hundred	
6	Permit to provide other services	(30) Thirty	

Chapter 3: Important Notices

1- Pursuant to Article 5 of Decision No. (1152/2/1/63-2023), the service fees referred to in the schedule contained in Chapter 2 of the Decision shall be implemented effective from August 1, 2023.

2- Other One Stop Shop activities: Other than what has been provided in the fees annex referred to in Decision No. (35/2016) and the schedule contained in Chapter 2 of Decision No. (1152/2/1/63-2023), all other services shall be subject to a service fee of (7.5%) Seven and half percentage of the total fees collected by the Competent Authorities.

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