

الدقم Duqm

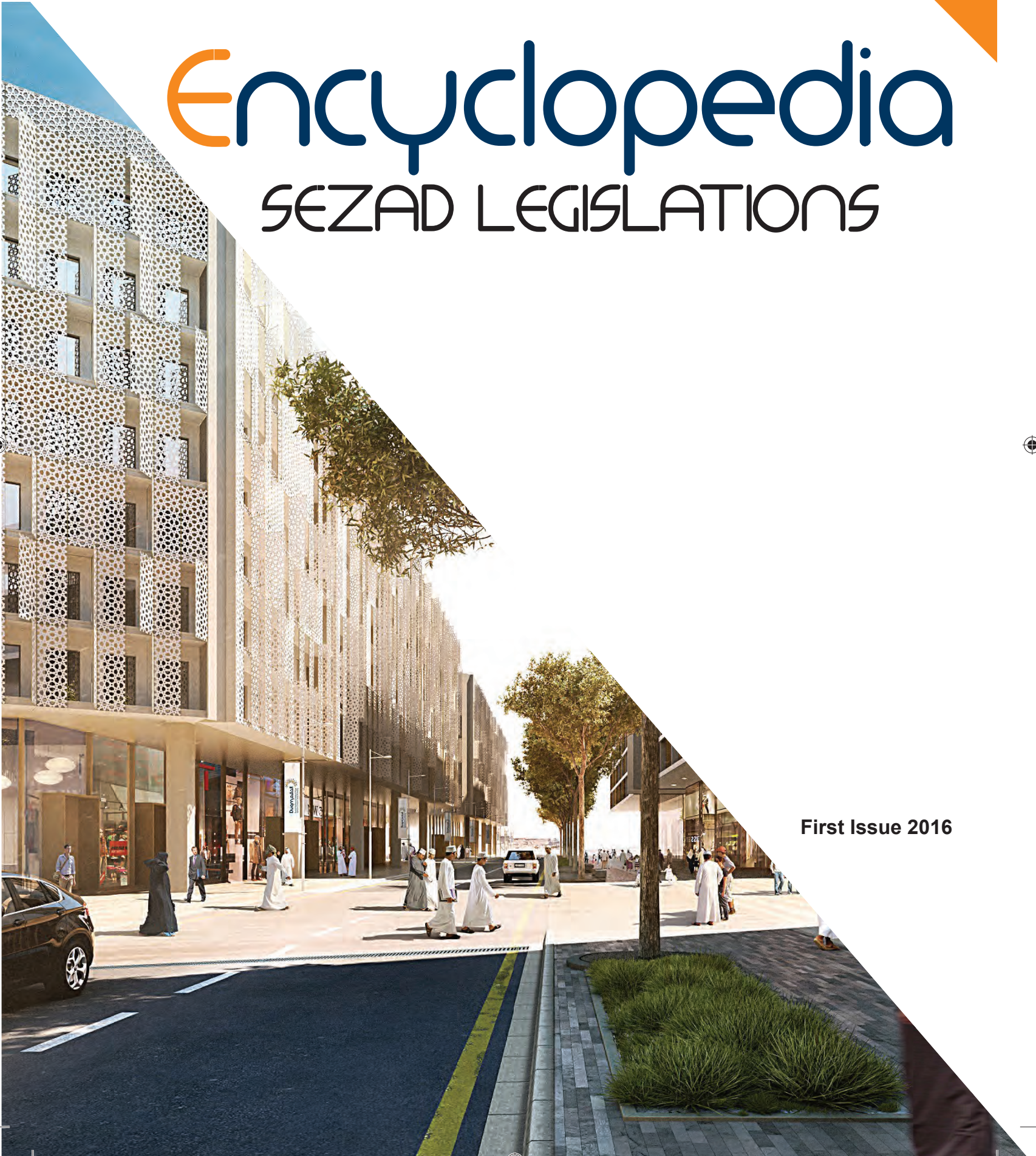
هيئة المنطقة الاقتصادية الخاصة
Special Economic Zone Authority
سلطنة عُمان Sultanate of Oman

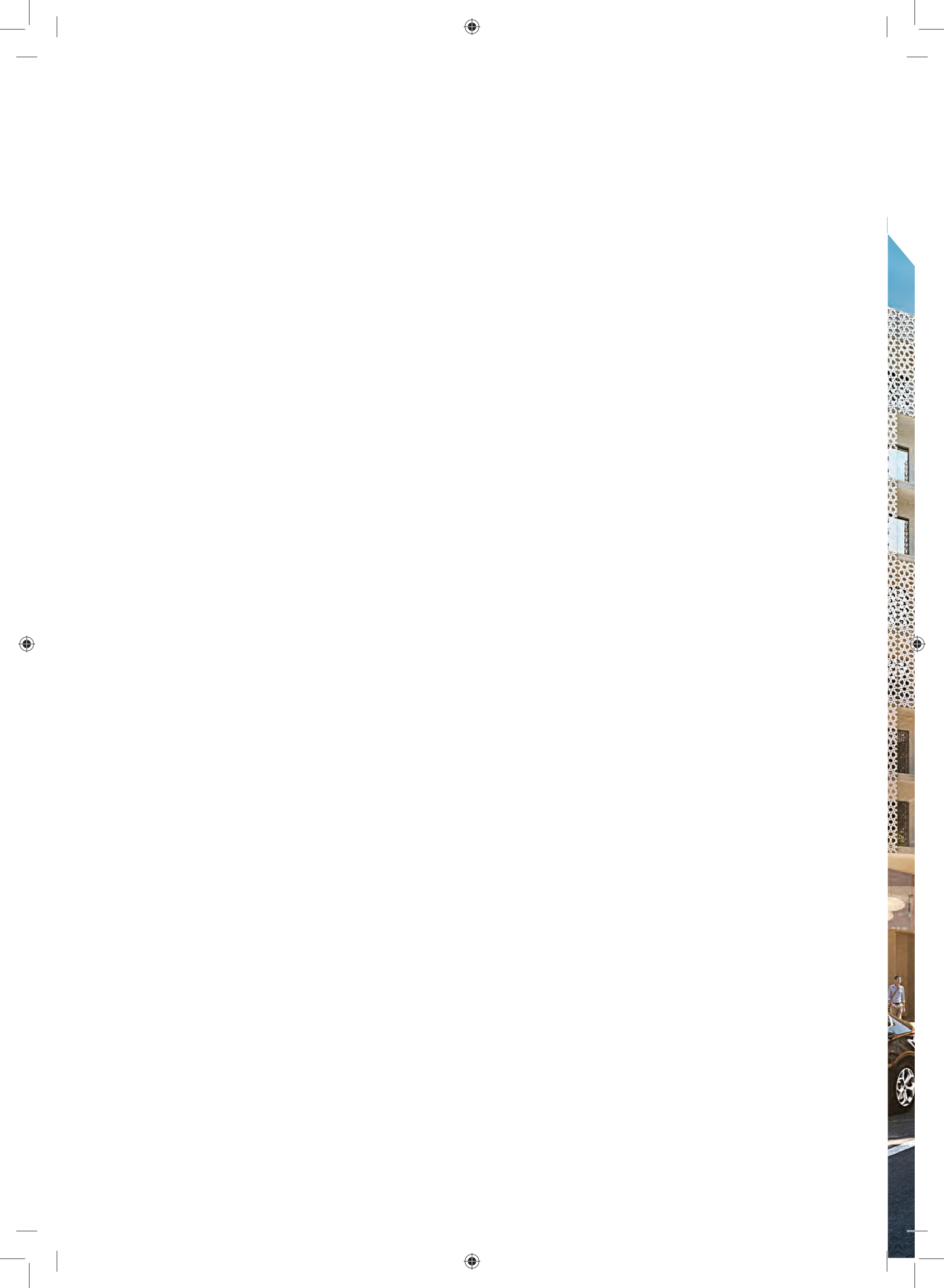


Encyclopedia

SEZAD LEGISLATIONS

First Issue 2016





الدقم Duqm

هيئة المنطقة الاقتصادية الخاصة
Special Economic Zone Authority
Sultanate of Oman سلطنة عُمان



Encyclopedia

SEZAD LEGISLATIONS

First Issue 2016

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His Majesty Sultan Qaboos Bin Said

- May Allah protect him -



Investment-Friendly Legislative Environment

With the aim to build a comprehensive legal guide to all those who have an interest in the Special Economic Zone at Duqm (The Zone), the Special Economic Zone Authority at Duqm (SEZAD) presents this Legal framework which outlines the various legislations governing the investment environment in the Zone.

The legal and regulatory aspect is vital in enhancing the investment environment and building an environment that is capable of attracting all types of investors. Therefore, since its establishment in 2011, SEZAD has pursued building a solid legislative environment in order to attract investors to the Zone and to reflect the Sultanate's vision in transforming Duqm to an investment oasis.

Moreover, in order to achieve this vision, SEZAD has ensured that the regulations, bylaws and decisions that regulate the investment environment in The Zone meet aspirations of both local and global investors.

In conclusion, SEZAD is pleased to present this issue of the Zone's legal framework and we look forward for it to enrich the Omani library and to provide more insight on the laws currently practiced in the Zone.



Yahya bin Said Al-Jabri
Chairman of the Board of Directors



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IMPORTANT NOTE:

The legislation issued originally in Arabic. In the event of inconsistency between this translation and Arabic legislation, the Arabic text will prevail.



Section I

Royal Decrees



Royal Decree Number (85/2006)

Designating the Development of Al-Duqm city in Al-Wusta Region a Public Utility Project



Royal Decree Number (85/2006) Designating the Development of Duqm city in Al-Wusta Region a Public Utility Project

We, Qaboos bin Said, Sultan of Oman

After perusal of the Basic Law of the State issued by Royal Decree (101/1996),
Royal Decree issuing the Law on Expropriation of Ownership for Public Inter-
est (64/78),

And in pursuance of the public interest

we have decreed the following;

Article (1):

The project to develop Al-Duqm City in Al-Wusta Region which is specified
in the enclosed memorandum and the attached map layout shall be a public
utility project.

Article (2):

The concerned bodies shall expropriate the properties and lands which are
necessary for the project and all that has been constructed on them, through
direct implementation and in accordance with the provisions of the Law on
Expropriation of Ownership for Public Interest.

Article (3):

This Royal Decree shall be published in the Official Gazette and shall come
effective from the date following its publication.

Issued on 29 Jumada Thani 1427 AH

Corresponding to 25 July 2006 AD

**Qaboos bin Said
Sultan of Oman**



Memorandum

On Designating the Development of Duqm city in Al-Wusta Region a Public Utility Project

In the context of the pursuit of the government of His Majesty Sultan Qaboos bin Said - may God protect him - to achieve the objectives of the future vision of the Omani economy in terms of diversifying sources of income and balancing the development of preparing the different Omani governorates and regions by establishing a regional hub for heavy industries in Duqm that includes a commercial harbor, dry dock, international airport and free zone;

As a result of the tireless efforts of all of the Supreme Committee for City Planning to prepare the comprehensive plan for the city, the Ministry of Transport and Communications conducting technical studies and as-built designs for the commercial harbor, the Dry Dock project and the international airport;

Accordingly, this requires the issuance of a Royal Decree to designate this project as a public utility project so that the executing body can implement the project in accordance with the set plans and compensate the owners of the affected properties as per the provisions of the Public Utility Expropriation Law issued by Royal Decree (64/78), and its amendments.

Minister of National Economy
Chairman of the Supreme
Committee for City Planning



Royal Decree Number (119/2011)

Establishing The Special Economic Zone Authority at Duqm and Issuing its Regulations



Royal Decree Number (119/2011) Establishing The Special Economic Zone Authority at Duqm and Issuing its Regulations

We, Qaboos bin Said, Sultan of Oman

After perusal of the Basic Law of the State issued by Royal Decree 101/1996, the Law of Public Authorities and Public Establishments issued by Royal Decree 116/1991,

the Financial Law issued by Royal Decree 47/1998,

Royal Decree 67/2003 applying the Gulf Cooperation Council Unified Customs Law,

Royal Decree 85/2006 designating the development of Al-Duqm city in Al-Wusta Region a public utility project, the Tender Law issued by Royal Decree Number 36/2008,

and the Law of State Finance and Administrative Audit issued by the Royal Decree 111/2011,

and the Law of Protection of Public Property and Avoidance of Conflicts of Interest issued by Royal Decree 112/2011,

and in pursuance of the public interest.

we have decreed the following:

Article (1):

An Authority under the name “The Special Economic Zone Authority at Duqm” shall be established and affiliated to the Council of Ministers.

Article (2):

The headquarters of the Authority shall be located at Al-Duqm in AlWusta governorate, and by virtue of a decision to be passed by its Board of Directors it may establish branches or offices within or outside the Sultanate of Oman.

Article (3):

The Special Economic Zone Authority at Duqm shall enjoy juristic personality and shall be financially and administratively independent. The Authority shall have, for the purpose of achieving its objectives, the capacity to own fixed and moveable assets, the right to manage and dispose of the same, to carry out business and undertake all necessary acts for achieving its objectives, and to commence any necessary activities to achieve such objectives or associated there with or completing the same, and shall conduct its activities pursuant to the provisions of the regulations attached hereto.

Article (4):

The site and boundaries of the Special Economic Zone pertaining to Wilayat Al-Duqm shall be in accordance with the attached plan.

Article (5):

Commodities imported from outside the Sultanate of Oman to the Special Economic Zone at Duqm and those exported from the Zone abroad shall be exempted from custom duties. Commodities exported outside the Zone to any place within the Sultanate of Oman shall be treated in the same manner as foreign commodities even if they contain any raw materials or local components.

Article (6):

The projects licensed to be established within The Special Economic Zone Authority at Duqm shall not be nationalized except by virtue of the law and in consideration of fair compensation. The monies of such projects may not be confiscated, come under custody or adjudicated except by virtue of a judicial edict.

Article (7):

A Royal Decree shall be promulgated specifying the regulations of the Special Economic Zone at Duqm, primarily determining the guarantees, concessions, incentives, exemptions and facilities that shall be decided for the projects licensed to be established within it, without prejudice to the provisions of this Decree and the regulations annexed herewith.

4 Unless specifically provided for in this Decree and the regulations annexed herewith and the regulations mentioned in the preceding Article, all the laws, royal decrees and the regulation in force in the Sultanate shall be applicable within the Zone.

Article (8):

The guarantees, concessions, incentives, exemptions and facilities decided under the regulations mentioned in paragraph 1 of Article 7 of this decree shall apply on the licensed projects existing in The Special Economic Zone Authority at Duqm on the date on which the above-mentioned regulations shall come into effect.

Article (9):

The Special Economic Zone Authority at Duqm and companies wholly owned by the government which are established in the Zone for the purpose of implementing or managing services projects and public facilities and other main projects established therein shall be exempted from the provisions of the Tender Law.

Article (10):

Without prejudice to the provisions of Clauses 7, 9, 10 and 11 of Article 3 of the annexed regulations, the Board of Directors of The Special Economic Zone Authority at Duqm, after presenting the same to the Cabinet of Ministers, shall allocate a site in the Zone for the bodies concerned with providing services to the projects licensed to be established within the Zone, whether related to the issuance of licenses, permits, consents, visas, the registration of mortgages or effecting the registration of the Projects or other services, on the basis that an employee or more, or a unit shall exercise the jurisdiction of carrying on the activities specified by the laws, Royal Decrees and the regulations governing the provision of such services within the Zone.

Article (11):

All assets, rights, liabilities and records pertaining to the project of the development of Wilayat of Al-Duqm shall accrue to The Special Economic Zone Authority at Duqm from the Ministry of Transport and Communications and other ministries and concerned bodies, apparatuses and committees, each within its own jurisdiction. The determination of the date for accrual of such assets and rights only shall be pursuant to agreement between the Authority and the concerned bodies.

Article (12):

The Chairman of the Board of Directors of The Special Economic Zone Authority at Duqm after agreement with the Cabinet of Ministers, heads of bodies and apparatuses and concerned committees may decide, pursuant to substantive regulations, to transfer any employee working with the Ministries, bodies, apparatuses and the committees referred to in hereof, who are exercising jurisdiction or assignments or works pertaining to the implementation of the project, to The Special Economic Zone Authority at Duqm, after coordination with the Ministry of Finance, provided that the transfer of the above-mentioned employees shall be on the basis of the same grade and financial packages.

Article (13):

The Chairman of the Board of Directors of The Special Economic Zone Authority at Duqm shall issue the regulations and decisions necessary for the implementation of this Decree and the regulations annexed herewith. Until such regulations are issued, the Authority shall be subject to the laws and rules in effect in a manner that does not contradict with the provisions of this Decree and the regulations annexed herewith.

Article (14):

All that is contrary to this Decree and the attached regulation or contradicts with the provisions hereof is hereby repealed.

Article (15):

This Royal Decree shall be published in the Official Gazette and shall come into force effective from the date following its publication.

Issued on 28 Dhul Qaeda 1432 AH
Corresponding to 26 October 2011

**Qaboos bin Said
Sultan of Oman**

Regulation The Special Economic Zone Authority at Duqm

Chapter One Definitions

Article (1):

In the implementation of these regulations, the following words and expressions shall have the meaning ascribed to each of them unless otherwise implied by the context:

1. Authority: The Special Economic Zone Authority at Duqm.
2. Zone: The Special Economic Zone located in Wilayat Al-Duqm with the purpose of establishing economic, service and other projects, which boundaries and sites are shown in the plan attached to the issuing decree.
3. Board: The Board of Directors of the Authority.
4. Chairman of the Board: Chairman of the Board of Directors of the Authority.
5. Chief Executive Officer: Chief Executive Officer of the Authority.
6. Projects: The projects that are licensed for establishment in the Zone whether they take the status of an individual proprietorship or a company or a branch of a company or a foreign establishment, as well as the trades and crafts licensed to be conducted in the Zone.
7. Regulations of the Zone: The Regulations of the The Special Economic Zone Authority at Duqm referred to in paragraph 1 of Article 7 of the Decree.

Chapter Two Objectives of the Authority

Article (2):

The Authority's objective is to supervise the implementation of the project of the development of Wilayat Al-Duqm and administering, improving and developing the Zone while adhering to the regulations of the Zone in order to contribute to the achievement of comprehensive economic and social development.

Chapter Three Jurisdiction of the Authority

Article (3):

The Authority shall exercise the following jurisdictions in order to achieve its objectives:

1. Coordinating with the Ministries, concerned bodies and apparatuses responsible for purposes of completing its implementation.
2. Undertaking the necessary procedures for following up on the implementation of the project of the development of Wilayat Al-Duqm, supervision over the same, and preparation of the necessary reports in this regard.

3. Drawing up the general policy for the management of the Zone and its main sectors and for its architectural and construction development and planning.
4. Undertaking the necessary procedures for the provision, management, development and improvement of services and the public utilities such as electricity, water and sewage networks and roads necessary for the Zone, subject to the provisions of the laws and regulations in force in respect to the above-mentioned services and utilities.
5. Marketing the Zone within and outside the Sultanate of Oman. Identifying the activities and works that may be practiced by the Projects in the Zone in accordance with the laws in force.
7. Licensing the establishment of Projects in the Zone, in accordance with the laws in force.
8. Establishing Projects, in accordance with the laws in force, or participating therein, for the purpose of managing, developing, and improving the Zone's main sectors and marketing them.
9. Determining the usufruct rights over lands owned by the State, located in the Zone, necessary for the Projects to perform their activities or to expand the same, or to construct residential buildings for the employees working therein, pursuant to the laws in force and subject to the provisions of Clause 11 of Article 5 hereof.
10. Issuing building licenses for the Projects pursuant to the regulations in force.
11. Issuing environmental permits and taking the necessary action for the protection of the environment, the prevention of pollution and protection of potable water resources from pollution pursuant to the laws in force.
12. Preparing monitoring regulations for health, environmental, technical, services and others in the Zone and regulations for monitoring performance of activities and works therein, with the exception of activities subject to special controls from certain units of the State's Administrative Apparatus, such as banking and insurance activities, and the preparation of such regulations shall be in accordance with the laws in force.
13. Undertaking the necessary measures for the implementation of the monitoring regulations referenced in Clause 12 of this Article after the approval of the concerned bodies.
14. Undertaking the necessary procedures for training the national manpower in various specializations in accordance with the training plans approved by the board, in order to qualify them to work in the Projects licensed to be established in the Zone after coordination with the concerned bodies.

Chapter Four

The Management of the Authority

Article (4):

The Board shall be responsible for the management of the Authority, and shall be comprised of seven members including the Chairman and six members from bodies to be determined by a decision issued by the Cabinet of Ministers.

The Chairman of the Board shall have the grade of a Minister and shall be appointed by a Royal Decree.

The Board shall select from among its members a deputy chairman to replace the Chairman in his absence or in case the Chairman is not capable of exercising his responsibilities.

The period of membership of the Board shall be four years, renewable for a similar period or periods.

The Cabinet of Ministers shall determine the remuneration of the board members.

Article (5):

The Board shall have all powers necessary to achieve the objectives of the Authority, in particular the following:

1. Adoption of the general policy of the Authority to ensure the achievement of its objectives.
2. Adoption of the necessary measures for the implementation of the general policy of the Authority and following its implementation.
3. Approving the organizational chart of the Authority and its subregulatory divisions and determining their jurisdiction after coordination with the concerned bodies.
4. Adoption of the financial, administrative and personnel regulations of the Authority after obtaining the consent of the Ministry of Finance, and the other regulations required for the works of the Authority.
5. Forming specialized committees from amongst the Board members specifying their jurisdictions and responsibilities provided that their recommendations or decisions shall not come into force until after approval by the Board.
6. Forming permanent or temporary committees specifying their jurisdictions or responsibilities, provided that their recommendations or decisions shall not come into force until after approval by the Board.
7. Accepting endowments, bequests and donations in accordance with rules adopted by the Board without contradicting the objectives of the Authority.
8. Approving loan agreements in accordance with the laws and regulations in effect after coordination with the Ministry of Finance.
9. Adoption of tender regulations applied by the Authority and the companies incorporated by it, and companies referred to in Article 9 of the promulgation Decree, to contract on supplying, contracting, purchasing or leasing of real properties necessary for the implementation of services and public utilities projects and other basic projects in the Zone, notwithstanding the provisions of the Tender Law.
10. Formation of one or more committees pertaining to tenders or bids offered by the Authority, the companies incorporated by it, or companies referred to in Article 9 of the promulgation Decree; determination of their jurisdictions and organization of their work procedures, notwithstanding the provisions of the Tender Law.
11. Adoption of the rules regulating the remuneration received by the Authority in consideration of the usufruct right over the land owned by the state located

- in the Zone, and identification of the segments of such remuneration, after approval of the Ministry of Finance.
12. Adoption of rules relating to the fees and amounts received by the Authority in consideration of services it renders, after approval of the Ministry of Finance.
 13. Adoption of the draft annual budget of the Authority and approval of its final account, in coordination with the Ministry of Finance.
 14. Adoption of the annual and periodic reports submitted on the activity of the Authority and the achievement of its objectives.

Article (6):

The Board shall hold an ordinary meeting at least four times a year upon the invitation of the Chairman or Vice-Chairman - as the case may be, and the Board may also be invited to convene whenever public interest so requires. The meetings of the Board shall not be valid unless attended by at least four members including the Chairman or Vice-Chairman, as the case may be. The Board shall pass its resolutions by a majority vote of members present. In the case of a tie, the Chairman shall have a casting vote. Internal regulations setting out the procedures and organizational work of the Board shall be issued by the Chairman of the Board after approval by the Board.

Article (7):

Without violating the provisions of the Law of Protection of Public Property and Avoidance of Conflict of Interests, a Board member having any interest, directly or indirectly in contracts entered into by the Board, shall notify the Chairman and abstain from considering the issue submitted with respect to the contract. The preceding paragraph applies if a member, his spouse or any of his relatives to the second degree owns a stake in the company entering into a contract with the Authority, or is a member of its Board.

Article (8):

The Board may delegate some of its powers to the Chairman of the Board or the Vice-Chairman.

Article (9):

The Chairman of the Board shall submit to the Cabinet of Ministers an annual report on the works of the Authority, and periodic reports on any follow up implementation in accordance with Clause 2 of Article 3 of this Regulation. Such reports shall include primarily public utilities and services projects and other projects undertaken toward implementing the project of developing Wilayat Al Duqm, the projects being implemented toward achieving this objective, and future projects to be implemented for the same purpose. The Royal Court shall be served with copies of the implementation follow-up reports.

Article (10):

The Chairman shall represent the Board in the Courts and in relation to third parties.

Article (11):

The Chief Executive Officer shall be appointed by a Cabinet Resolution upon the proposal of the Board and his jurisdictions shall be set by a resolution to

be issued by the Board without prejudice to the provisions of Article 5 of these Regulations.

Chapter Five Authority's Financial Affairs

Article (12):

The Authority shall have an independent budget and the fiscal year of the Authority shall commence on 1st January and end on 31st December of each year except the first fiscal year, which shall commence as of the effective date of the promulgation Decree until 31st December of the following year.

Article (13):

The Authority's resources shall consist of the following:

1. The provisions allocated to the Authority in the general budget of the State.
2. The revenues received by the Authority in consideration of services rendered.
3. Returns of investments of the Authority's funds.
4. Gifts, bequests, and donations accepted by the Board in accordance with Clause 7 of Article 5 of this Regulation.
5. Loans obtained by the Authority in accordance with Clause 8 of Article 5 of this Regulation.
6. Other resources specified by the Board after approval of the Cabinet of Ministers.

Article (14):

The Authority's movable and immovable assets as well as its rights towards third parties and the proceeds of its investment of the funds shall be considered public funds.

Article (15):

The Authority shall collect the amounts owed to it pursuant to the provisions of the Regulation on the collection of taxes, fees and other amounts due to the State's administrative body units promulgated by Royal Decree 32/94.

Article (16):

The surplus generated by the Authority from its resources after the deduction of all current and capital expenditures and other expenditures shall accrue to the public treasury according to the rules specified by the Board upon the approval of the Ministry of Finance.

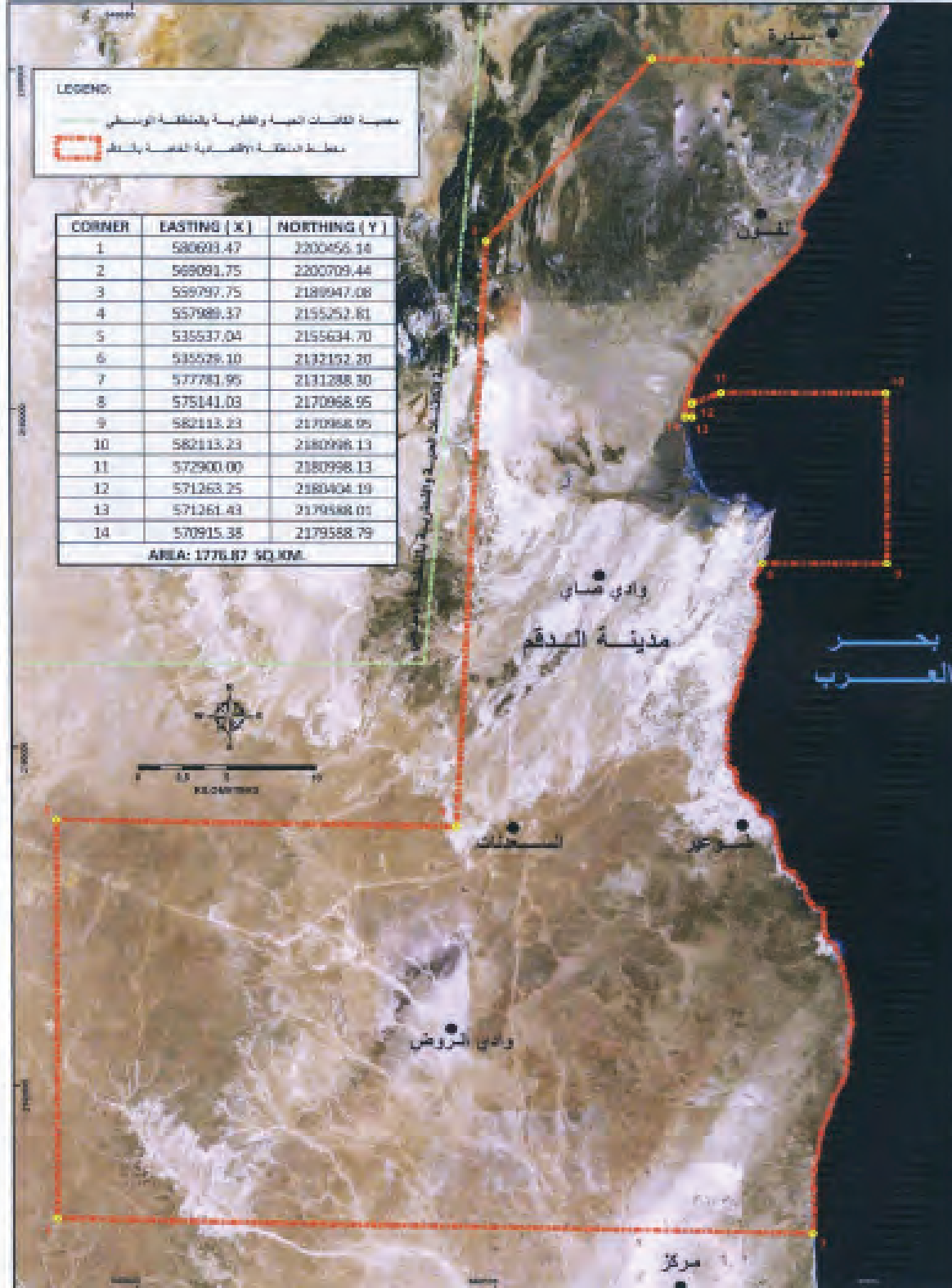
Article (17):

The Authority shall be exempted from all taxes and fees.

Article (18):

The Authority shall have an auditor licensed to practice the accounting and auditing profession who shall be appointed and have his remuneration determined by a resolution from the Board; without prejudice to the provisions of the Law on the State's Financial and Administrative Audit Law.

مخطط المنطقة الاقتصادية الخاصة بالدقم





Royal Decree Number (79/2013)

Issuing the regulation of the Special Economic Zone at Duqm



Royal Decree Number (79/2013) Issuing the regulation of the Special Economic Zone at Duqm

We, Qaboos bin Said, Sultan of Oman

After perusal of the Basic Law of the State issued by Royal Decree (101/1996),
Commercial Register Law number (3/74),
Commercial Companies Law number (4/74),
Commercial Agency Law issued by Royal Decree number (26/77),
Foreign Capital Investment Law issued by Royal Decree number (102/94),
Law of Foreigners Residence issued by Royal Decree number (16/95),
Regulation on Handling and Use of Chemicals Issued by Royal Decree number
(46/95),
Law on Conservation of the Environment and Prevention of Pollution issued by
Royal Decree (114/2001),
Law on Protection of Water Resources from Pollution issued by Royal Decree
number (115/2001),
Tourism Law issued by Royal Decree number (33/2002),
Labor Law issued by Royal Decree number (35/2002),
Free Zones Law issued by Royal Decree number (56/2002),
Law of Natural Reserves and Preservation of Wildlife issued by Royal Decree
number (6/2003)
Mining Law issued by Royal Decree Number (27/2003),
Royal Decree (67/2003) applying the Gulf Cooperation Council Unified Customs Law,
Royal Decree (76/2004) Defining the Jurisdictions of the Ministry of Manpower
and Approving its Organizational Structure,
Royal Decree (85/2006) designating the development of Al-Duqm city in Al-
Wusta Region a public utility project,
The Unified Industrial Regulation Law for the Gulf Cooperation Council of the
Arab Gulf Countries issued by Royal Decree number (61/2011),
Food Safety Law issued by Royal Decree number 84/2008,
Royal Decree number 119/2011 establishing the Duqm Special Economic Zone
Authority and issuing its regulation,
And in pursuance of the public interest

we have decreed the following:

Article (1):

Concerning the Special Economic Zone at Duqm, the attached regulation will be applied.

Article (2):

All that is contrary to the attached regulation or contradicts with the provisions hereof is hereby repealed.

Article (3):

This Royal Decree shall be published in the Official Gazette and shall come effective from the date following its publication.

**Issued on 23 Safar 1435 AH
Corresponding to 26 December 2013**

**Qaboos bin Said
Sultan of Oman**

Articles of Association of the Special Economic Zone Authority at Duqm

Article (1):

In the implementation of this regulation, the terms and expressions contained shall have the same meaning ascribed to each of them in the regulation of the Special Economic Zone Authority at Duqm's issued by Royal Decree number (119/2011), and the following terms and expressions shall have the meaning ascribed to each of them unless otherwise implied by the context:

1. Capital Invested: Machinery, equipment, tools, devices and others necessary to establish, expand or operate a project in the Zone, and foreign currency transferred to and from the region in accordance with the instructions of the Central Bank of Oman.
2. Goods: machinery, equipment, tools, materials, products, spare parts, fuel and others that are used, distributed, produced fully or partially or consumed by the projects for any purpose.
3. Taxes: All kinds of taxes imposed under the laws in force in the Sultanate
4. Customs Territory: Anywhere within the borders of the Sultanate with the exception of the free zones and special economic zones.
5. One Stop Shop: A system established by the Authority, at the Zone, which shall issue all licenses, permits, approvals and visas, and completion of projects commercial registration and implementation of all the rules and regulations related to the zone and the decisions issued by the Authority.

Article (2):

Without prejudice to the guarantees and exemptions for the projects under the provisions of the Royal Decree number (119/2011) establishing the Special Economic Zone Authority at Duqm and issuing its regulation, the projects shall enjoy the guarantees, benefits, incentives exemptions and facilities provided in this regulation.

Article (3):

The Projects shall enjoy the exemptions, incentives and facilities accorded to the companies operating in the free zones stipulated in articles (3), (4), (11) and (13) of the Free Zones Law as follows:

- 1- Exemption from taxes, this shall be issued by a decision from the Minister in Charge of Financial Affairs at the request of the Board, this exemption shall not apply to banks, financial institutions, insurance and reinsurance companies, projects working in the field of providing telecommunications services, and companies working in the field of road transport except such road transport companies which are registered with the Authority and operate within the borders of the zone permanently.

The exemptions set forth in the previous paragraph shall not include income statements.

- 2- The capital of the projects may be fully owned by non-Omanis, this is an exemption from the Commercial Companies law and the law of foreign capital investment
- 3- Exemption from the requirement of minimum capital investment provided in the Commercial Companies Law or in any other law.
- 4- Exemption from any restrictions related to receiving, trading, and transferring of foreign currency.
- 5- Exemption from the application of the provisions of the Commercial Agencies Law.

Article (4):

The duration of the tax exemption provided in clause (1) of Article (3) of this regulation shall be for a period of 30 years from the date of commencement of the activity, renewable for similar periods by following the same procedures set forth in this clause.

Article (5):

The use of land by the projects located in the Zone for all purposes shall be subject to a payment of a fee, and for a period up to fifty years, renewable for similar periods. The usufruct rights shall be according to rules established by a decision from the Board without prejudice to clause (11) of article (5) of the regulation of the Special Economic Zone Authority at Duqm issued by Royal Decree number (119/2011).

The Authority cannot annul or terminate the Usufruct Agreement except in the case of violation of the terms of the Agreement by the projects or the relevant rules issued by the Board or the terms of the licenses issued to such, or for considerations of public utility projects and in accordance with the provisions of the laws in force in the Sultanate.

Projects are not permitted to undertake any form of alienation or transfer of the usufruct rights accorded to them, except for other similar projects, subject to the prior approval of the Authority.

Article (6):

The Projects, alone, shall determine the price of their products, goods and services.

Article (7):

Except the goods that are banned by law to be imported, the Projects have the right to import all kinds of goods to the Zone without permission, license or prior approval, except if the products are classified as an explosive or chemical material, in which case must follow the rules on importation of such materials that are laid down in the related Laws and regulations in the Sultanate.

Article (8):

The goods imported by the Projects are not subject to any restriction relating to the duration of their stay in the Zone, unless specified by the board according to the nature and type of the goods. Such goods shall not be subject to any

restrictions on transferring them within the Zone or between any other Free Zone or Special Economic Zone in the Sultanate, without prejudice to the Gulf Cooperation Council Unified Customs Law and the Royal Decree number (67/2003) of its application.

Article (9):

Without prejudice to any international agreement to which the Sultanate is a party, goods that are manufactured or assembled in the Zone shall be treated as locally produced products when exported to any country or anywhere else outside the Sultanate.

Article (10):

The Projects are not subject to any restrictions on the repatriation of capital invested and profit.

Article (11):

The Projects have the right to have commercial representative offices within the customs territory. Such offices shall be registered in accordance with the provisions of the laws in force in the Sultanate.

Article (12):

All the necessary services for the Projects shall be provided through the one-stop-shop, The Authority shall establish an electronic portal through which all the necessary information about the Zone shall be provided.

The Chairman of the Board shall take all necessary measures to implement the rule of the previous paragraph in coordination with units of the administrative bodies of the State concerned in relation to services that are not within the jurisdiction of the Authority.

Article (13):

In the enforcement of the Law of the Commercial Register within the boundaries of the Zone, the Authority shall have the functions of the General Secretariat of the Commercial Register at the Ministry of Commerce and Industry regarding the registration of Projects.

Article (14):

In the enforcement of the unified law of industrial regulation of the Cooperation Council for the Arab States of the Gulf, the Authority shall have within the Zone the functions of the Ministry of Commerce and Industry regarding registration in the Industrial Register and the granting of permits, and the Chairman of the Board shall assume the functions of the Minister of Commerce and Industry.

Article (15):

In the enforcement of the law of Mining within the boundaries of the Zone, the Authority shall have the functions of the ministry of Commerce and Industry,

and the Chairman of the Board shall assume the functions of the Minister of Commerce and Industry.

Article (16):

In the enforcement of the laws on Environmental Protection, Combating Pollution, Protection of Potable Water Resources, Nature Reserves, Preservation of Wildlife and regulation on Handling and Use of Chemicals within the Zone, the Authority shall have the functions of the Ministry of Environment and Climate Affairs in relation to issuing environmental permits for the projects and take necessary environmental measures, and the Chairman of the Board shall assume functions of the Minister of Environment and Climate Affairs.

Article (17):

In the enforcement of the law of tourism within the Zone, the Authority shall have the functions of the Ministry of Tourism in relation to issuing permits necessary for tourism projects.

Article (18):

In the enforcement of the food safety law within the Zone, the Authority shall have the functions of the concerned body.

Article (19):

A manpower department shall be set up in the Zone by a decision from the Minister of Manpower to issue the necessary permits for the foreign labor, according to procedures that are expeditious and efficient that shall be issued by the Board in coordination with the Ministry of Manpower.

In all cases, the period of issuing these permits shall not exceed five working days from the date which the applications were submitted. The lapse of such period without a decision regarding the application shall be deemed as approval. And in the case of rejection, the decision must be justified.

In the enforcement of the Labor Law inside the Zone, the Chairman of the Board shall have the functions of the Minister of Manpower concerning setting the fees for bringing in the foreign workforce and setting the Omanization percentage for Projects.

Article (20):

Projects may agree among themselves on the transfer or assignment of workers among themselves without restrictions, in accordance with the rules established by a decision issued by the Board.

Article (21):

A branch of the Department of Immigration and Passports shall be established in the Zone, by a decision from the Chief Inspector of Police and Customs in coordination with the Authority, which will be assigned the specific responsibility of issuing entry visas and residency permits for the expatriate workforce and their families who will be coming to work in the Zone or visit it.

Article (22):

The Board shall in coordination with the Royal Oman Police issue a Customs regulation, ensuring the following:

- 1- Quick and effective customs inspection.
- 2- Clarity and transparency of the basis of valuation.
- 3- Simplifying and shortcutting of the customs clearance procedures without prejudice to their effectiveness.
- 4- Comprehensive and thorough examination of the samples that are subject to controls within one location.

Article (23):

A customs office shall be established in the zone by a decision from the Inspector General of Police and Customs, with functions and responsibilities referred to in Article 22 of this regulation.

Article (24):

The Chamber of Commerce and Industry is assigned the responsibility for issuing certificates of origin for Projects and ratifying them.

Article (25):

The Authority may issue exclusive licenses to certain projects to carry out specific business activities for a limited period of time, and that is for considerations relating to the protection of the environment or the conservation of natural resources in the Zone or in the scope of implementation of infrastructure projects. Notwithstanding the exception specified above, the Authority is committed to prevent monopolies and securing fair competition in the Zone in accordance with laws in force in the Sultanate and resolutions issued by the Board.

Article (26):

The exemption from customs duty stipulated in Article 5 of Royal Decree Number (119/2011) shall not apply to Alcohol beverages, and tobacco products that will be imported into the Zone.

Article (27):

In order for the Projects to enjoy the guarantees, benefits, incentives and exemptions provided in this Regulation, they are required to fulfill the following:

- 1- To be registered in the Zone according to the applicable rules and regulations.
- 2- To be licensed to practice one of the specified activities according to the applicable rules and regulation.
- 3- Fulfill its commitment to undertake the business activity for which it is licensed to operate in the Zone.
- 4- Abide by the Omanization percentage specified by the Board.

Article (28):

The Authority may establish a site within the Zone to be part of the customs territory which shall be allocated to companies and industries that aim to export their products to the GCC region and other Arab Countries which have signed the Free Trade Agreements with the Sultanate. The companies and industries located in this site shall be treated the same as the companies and industries located within the customs territory. A regulation shall be issued by a decision of the board after coordinating with Royal Oman Police to regulate the licensing, work and entry and exit of capital investment within this site.

Article (29):

The Authority, when exercising its power in Articles (13), (14), (15), (16), (17), (18) and (19/paragraph 3) of this Regulation, shall adhere to the Laws mentioned therein as well as the instructions and resolutions issued for its implementation, and shall provide the concerned parties with all the information that is required in this regard, which shall be specified in cooperation with these parties in the form of memoranda of understandings.

The Board – in coordination with the relevant authorities and departments - shall take all necessary measures to enable the Authority to exercise these functions. Until these measures are adopted, these authorities and departments shall continue to exercise the functions referred to above, in coordination with the Authority, through the One-Stop-Shop.

Article (30):

The provisions of this Regulation shall not contravene with any functions that are accorded to the Authority in accordance with the laws and Royal Decrees in force.

Article (31):

The Authority's employees will be appointed by a resolution from the relevant authority, in accordance with laws in force in the Sultanate and in agreement with the Chairman of the Board, as judicial officers to deal with violations that occur within their specialized jurisdictional areas, and related to the application of the laws mentioned in Articles (13), (14), (15), (16), (17), (18) and (19) of this Regulation, and within the scope of the specialization assigned to them.



Royal Decree Number (44/2014)

**Lifting The Status of
Public Utility Project from
some of The Land Located
within the MasterPlan of
The Special Economic
Zone Authority at Duqm**



Royal Decree Number (44/2014) Lifting The Status of Public Utility Project from some of The Land Located within the MasterPlan of The Special Economic Zone Authority at Duqm

We, Qaboos bin Said, Sultan of Oman

After perusal of the Basic Law of the State issued by Royal Decree (101/1996),
Financial Law issued by Royal Decree (47/98),
Royal Decree (85/2006) Designating the Development of Duqm city in Al-
Wusta Region a Public Utility Project,
Royal Decree (119/2011) Establishing Duqm Special Economic Zone Authority
and Issuing Its Regulation,
And in pursuance of the public interest;

Decreed as follows

Article (1):

The status of the public utility of the schemes within SEZAD scheme specified
in the enclosed memorandum shall be lifted.

Article (2):

The location and boundaries of SEZAD according to the enclosed layout shall
be adjusted.

Article (3):

All that contradicts or contravenes with the provisions of this Decree shall be
repealed.

Article (4):

This Decree shall be Published in the Official Gazette and shall take effect
from the day following the date of publication.

Issued on 22 Shawwal 1435 AH
Corresponding to 19 August 2014 AD

**Qaboos bin Said
Sultan of Oman**

Memorandum on

Lifting The Status of Public Utility Project from some of The Land Located within the MasterPlan of The Special Economic Zone Authority at Duqm

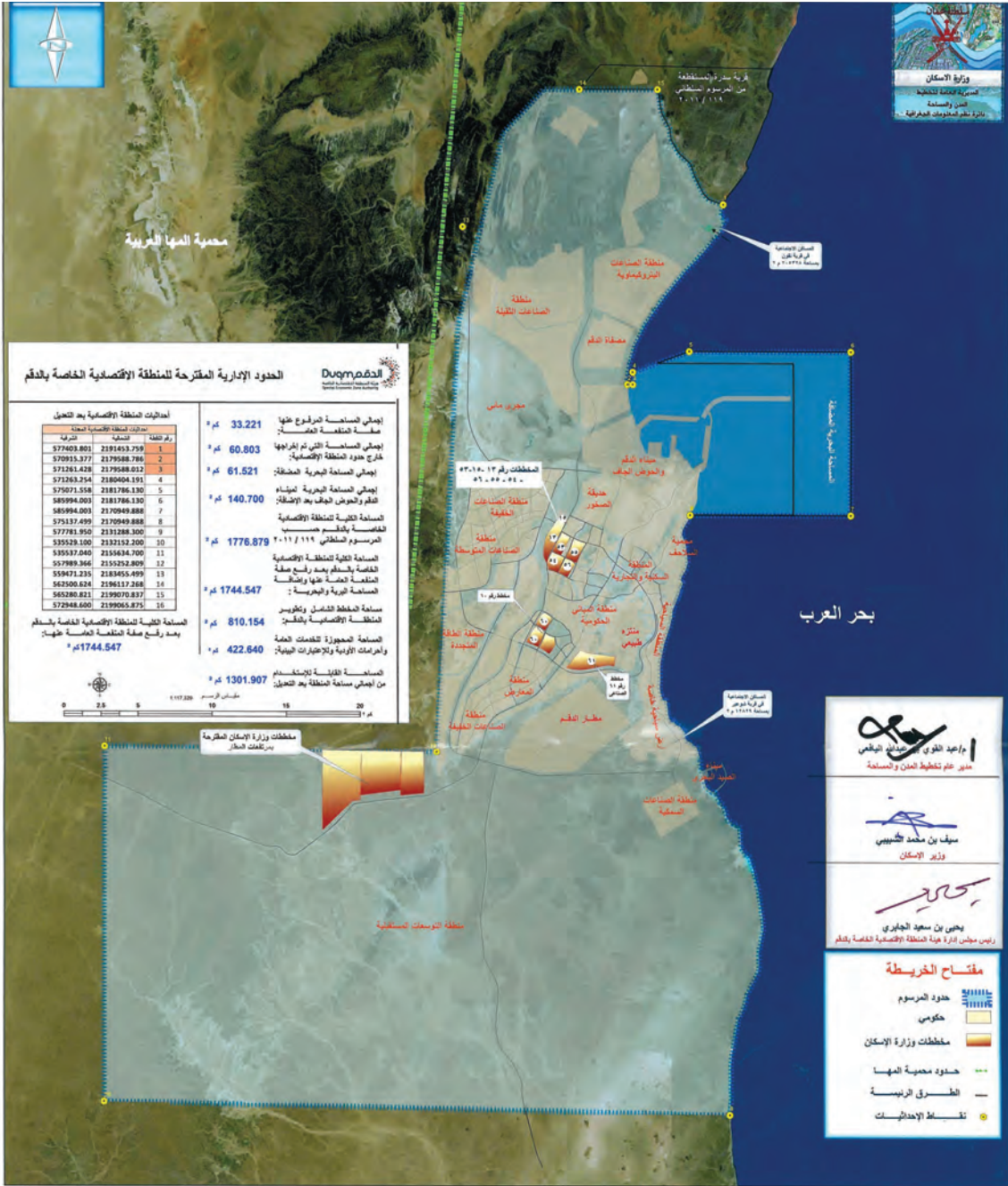
Lifting of the public utility status from some schemes within SEZAD scheme aims to settle the situation of some citizens who have been issued title deeds or compensate them with alternative lands. The schemes are as follows:

- Airport Heights
- Schemes 13 and 15 south of the hospital in Sai
- Residential commercial scheme 53
- Residential schemes 54, 55, 56, and 60
- Light industries scheme 61
- Fifteen square kilometers of the same scheme as per the enclosed layout

The settlement of the situation of citizens issued title deeds in above mentioned schemes or compensated with alternative lands requires the issuance of a Royal Decree to lift the public utility status from these schemes.

H.E. Yahya bin Said Al-Jabri

Chairman of the Board of Directors





**Royal Decree
Number (5/2016)
Designating the
Development of Ras
Markaz as a Public Utility
Project and Attaching it
to the Special Economic
Zone in Duqm**





Royal Decree Number (5/2016) Designating Development of Ras Markaz as a Public Utility Project and Attaching it to the Special Economic Zone in Duqm

We Qaboos bin Said, Sultan of Oman

After perusal of the Basic Law of the State issued by Royal Decree (101/1996),
Public Utility Expropriation Law issued by Royal Decree (64/78), as amended,
Royal Decree (85/2006) Designating the Development of Duqm city in Al-
Wusta Region a Public Utility Project,
Royal Decree (119/2011) Establishing Duqm Special Economic Zone Authority
and Issuing Its Regulation,
Royal Decree (44/2014) Lifting Public Utility Status from Some Schemes
within SEZAD Scheme,
And in pursuance of the public interest;

we have Decreed the following

Article (1):

Development of Ras Markaz area in the Wilayat of Duqm in Al-Wusta
Governorate shall be a public utility projects as specified in the memo and
layout attached to this Decree.

Article (2):

Ras Markaz area above mentioned shall be attached to the Special Economic
Zone in Duqm (SEZD). SEZD site and boundaries shall be amended in
accordance with the layout attached to this Decree.

Article (3):

The authorities concerned shall expropriate, through direct implementation,
the properties and relevant land needed for the previously mentioned project,
as well as installations thereon, in accordance with the provisions of the Public
Utility Expropriation Law.

Article (4):

This Decree shall be Published in the Official Gazette and comes into effect
on the date of publication.

Issued on 18 Rabi Thani 1437 AH
Corresponding to 28 January 2016

**Qaboos bin Said
Sultan of Oman**

Memorandum on

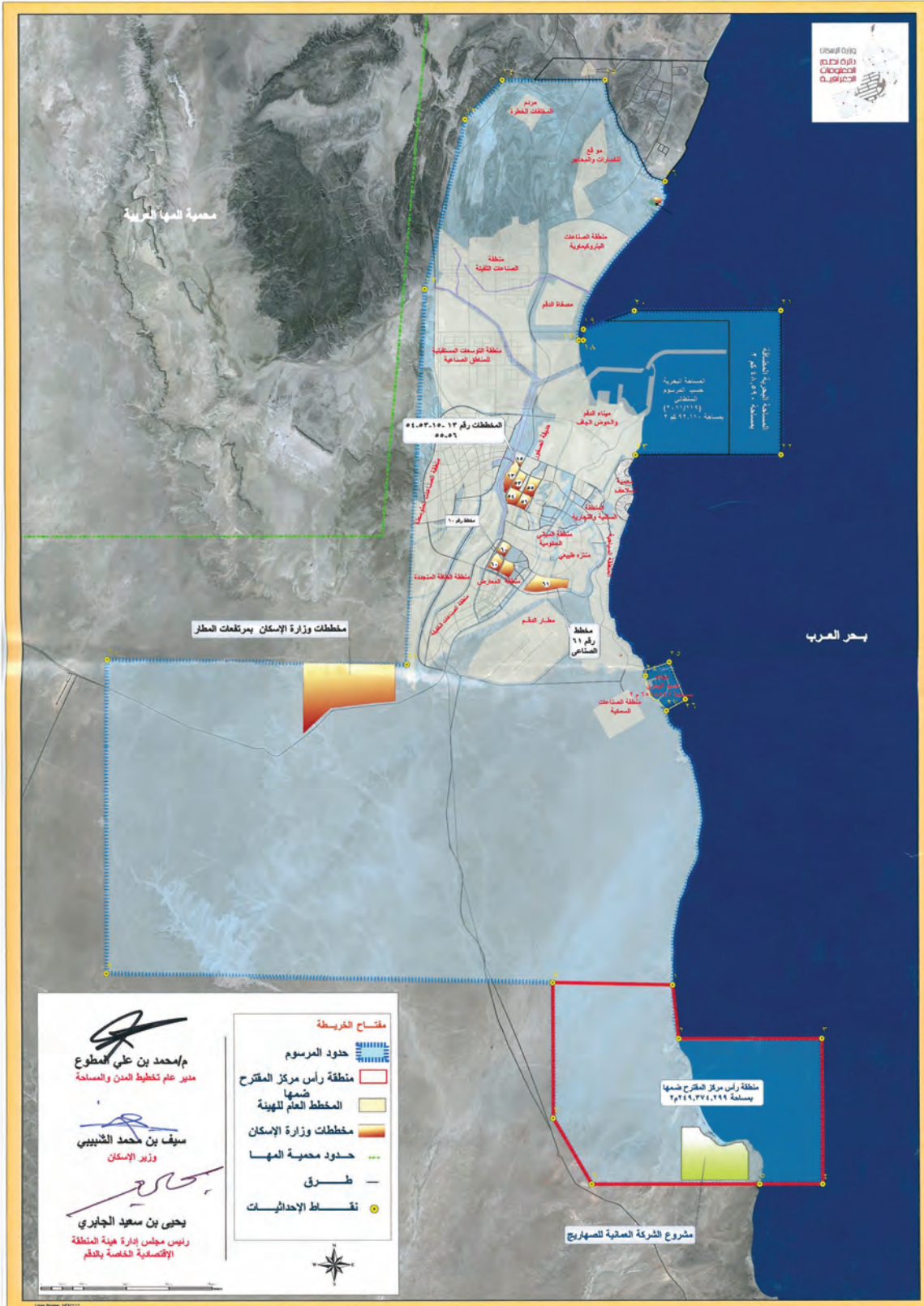
Designating Development of Ras Markaz as a Public Utility Project

The development project of Ras Markaz area in Duqm aims to support and achieve the objective of the future vision of the Omani economy in terms of diversifying sources of national income. The most important components of the project is the establishment of warehouses for storage and export of crude oil. This would directly optimize the use of crude oil trade sector and promote the benefit of associated industries through the exploitation of the site and reducing production costs, which would increase revenue from the oil sector. This would also optimize the value-added natural depths of the Arabian Sea and link the commercial interests of the companies involved in the production and marketing of the oil sector.

SEZAD has paid required attention to this project in terms of economic and social returns and the growth resulting from its implementation. As this is one of the vital projects for SEZAD, it would be important to include Ras Markaz area described in Appendix (1) to The Special Economic Zone at Duqm as this will enable the project to benefit from the existing investment, legislative and legal environment in SEZAD, especially the advantages and incentives provided for in SEZAD regulation issued by Royal Decree 79/2013 and one-stop shop services.

Since the implementation of this project and inclusion of Ras Markaz area in The Special Economic Zone at Duqm require the expropriation of the affected property and compensating their owners in accordance with the provisions of the Public Utility Expropriation Law issued by Royal Decree 64/78, this requires issuance of a Royal Decree designating the development of Ras Markaz area as a utility project and attaching it to The Special Economic Zone at Duqm.

Yahya bin Said Al-Jabri
Chairman of the Board of Directors





Section II

Bylaws and Organizing Rules



Bylaw Regulating the Project Registration at the Special Economic Zone Authority at Duqm



Decision Number (21/2015) Issuing the Bylaw Regulating the Project Registration at the Special Economic Zone Authority at Duqm

In Pursuance of Royal Decree Number 119/2011 establishing the Duqm Special Economic Zone Authority and issuing its regulations;
Royal Decree Number 79/2013 Issuing the Regulation of the Special Economic Zone at the Duqm ;
Royal Decree Number 44/2014 lifting the status of Public Utility Project from some of the lands located within the master plan of the Special Economic Zone Authority at Duqm;
Approval of the Board of Directors of Duqm Special Economic Zone Authority in its second meeting convened on 13 April 2014; and
And in pursuance of the public interest,

It has been decided

Article (1):

Provisions of the attached Bylaw shall be applicable to the registration of Projects at the Special Economic Zone at Duqm.

Article (2):

The Projects that are licensed for establishment in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities existing in the Zone on the effective date of this Bylaw, shall reconcile their positions in accordance with the provisions of this Bylaw.

Article (3):

The Chairman of the Board of Directors of the Special Economic Zone Authority at Duqm shall issue the decisions and instructions necessary to enforce the provisions of the attached Bylaw.

Article (4):

All that is contrary to the attached bylaw or contradicts with the provisions hereof is hereby repealed

Article (5):

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

Issued on: 21 Rabee Al Awaal 1436H
Corresponding to: 12th of January 2015

Yahya bin Said Al Jabri
Chairman of the Board of Directors

Bylaw Regulating the Projects Registration at the Special Economic Zone at Duqm

Chapter I Definitions and General Provisions

Article (1):

In the application of this Bylaw, the following terms and expressions shall have the meanings assigned thereto unless the context otherwise requires:

Authority: The Special Economic Zone Authority at Duqm.

Zone: The Special Economic Zone located in the Wilayat Al-Duqm for the purposes of establishing economic, service and other Projects within the boundaries and sites are shown in the plan attached to Royal Decree Number 119/2011 and Royal Decree Number 44/2014 which are referred to above.

Board: Board of Directors of the Authority.

Chairman: Chairman of the Board.

Master Operator or Developer: The body responsible for the management and operation of the strategic facilities at the Zone or the development of part of the State's lands in the Zone.

Project: The Projects that are licensed Definition in Royal Decree 119/2011 preferable for establishment in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities licensed to be conducted in the Zone.

Department: The Commercial Registration Department at the Authority provided for in Article 4 of this Bylaw.

Register: The Commercial Register at the Zone.

Article (2):

Provisions of this Bylaw shall apply to the Projects licensed to operate at the Zone, however, where there is no specific text provided for thereon, in this Bylaw and the decisions issued, thereof, provisions of the Commercial Register Law issued by Royal Decree Number 3/74, its Executive Regulation and the decisions issued pursuant to it shall apply.

Article (3):

The Department shall maintain the following registers:

1. **Registration Applications Register:** The register wherein names and information of applicants for registration are recorded.
2. **Commercial Register of the Zone:** The register wherein statements and information on Projects, the date of registration, the type of economic activity and the legal form of the Projects, land usufruct agreements at the Zone and mortgage agreements on the assets of the Projects are recorded.
3. **Register of the Annulled Projects:** The register wherein details of the annulled Projects and the reasons for the annulment are recorded.

Chapter II Registration of Project in the Register

Article (4):

A department named the "Commercial Registration Department" shall be established at the Authority to handle the Register and other registers referred

to in Article (3) of this Bylaw.

Article (5):

The following categories shall register themselves in the Register:

1. The traders whose principal place of business is at the Zone.
2. The commercial companies whose principal place of business is at the Zone.
3. Branches of companies established at the Zone by traders or commercial companies whose principal place of business is outside the Zone whether in the Sultanate or abroad.

Article (6):

Commercial companies may record themselves in the Register, if they took one of the following legal forms:

1. General Partnership
2. Limited Partnership
3. Joint Stock Company
4. Limited Liability Company

Article (7):

The following categories shall be exempted from registration:

1. Banks and financial institutions, insurance and reinsurance companies and the Projects operating in the field of providing telecommunication and land transportation services and other Projects whose activities extend beyond the boundaries of the Zone.
2. Professionals who practice the profession in an individual capacity under licenses issued by the concerned authorities in accordance with the law, provided that the activity doesn't take the form of a company, branch of a company, agency or any other commercial project.
3. Individuals working in agriculture or fisheries or those licensed to practice small scale transportation by land or sea, for a small fee or those registered with the concerned authorities concerned with such activities or works.

The Chairman may exempt small traders and handicraftsmen from registration as per the terms and conditions he may decide.

Article (8):

The Chairman, after approval of the Board of Directors, shall issue a decision specifying the Projects banned from registration in the Register and the other Projects that may not be registered before satisfying specified conditions and procedures.

Article (9):

Registration application shall be submitted to the Department by the applicant or his legal representative on the form prepared for this purpose together with the statements and documents which are specified by the Department. The Applicant shall be given a receipt indicating receipt of the application, the date of submission and its attachments.

The Department may request any statements or documents it may find necessary to proceed with the registration of the application.

Article (10):

The Department shall examine the registration application after the required statements and documents are satisfied.

The Department must make a decision on the application, by either accepting

or rejecting it, within a period that does not exceed five (5) working days from the date of submission after all the required statements and documents are satisfied.

In the event of rejection, the decision must be justified.

In absence of a decision after the lapse of period referred to in the first paragraph of this Article, the decision regarding the application shall be deemed to be approved.

The registered Project shall not commence its activities before satisfying the other requirements of the Authority.

Article (11):

The applicant for registration in the Register shall be notified of the rejection decision of his application at the address provided in the application. The concerned applicant may appeal against the rejection decision to the Chairman within thirty (30) days from the date of the rejection notice citing the grounds for the appeal and attaching the supporting documents, together with a copy of the appealed decision.

Article (12):

The Chairman shall consider the appeal and decide by either accepting or rejecting it within a period that does not exceed thirty (30) days from the date of submission of the appeal. The concerned applicant shall be notified of the result of the appeal.

In the absence of a decision after the period referred to in the first paragraph of this Article, the decision shall be deemed rejected.

In all cases, the decision made by the Chairman regarding the appeal shall be final.

Article (13):

Registration in the Register shall be renewed every five (5) years. The renewal application shall be submitted by the concerned party at least thirty (30) days prior to the expiry date provided that the terms and conditions are met and the prescribed fees are paid.

Article (14):

The registration fees shall be determined by a decision from the Chairman.

Chapter III

Obligations of the Projects Registered in the Register

Article (15):

The Projects registered in the Register shall commit to the following:

1. Provide the Department with the information and documents it may require within the period that the Department determines.
2. Provide the Department with any change or modification in the information recorded in the Register within a period that does not exceed thirty (30) days from such change or modification.

The Department shall record the new information on the same page of the Register indicating the date of the change in the application and its supporting documents.

Chapter IV

Annuling from the Register

Article (16):

The Department shall Annul the Project from the Register in the following cases:

1. Upon a request made by the concerned party.
2. The information or fundamental documents attached to the registration application are found to be incorrect and the registration was made based on them.
3. The cancellation of the license Project given to the Project to practice its activities.
4. Dissolution or liquidation of the company or closure of the branch or the end of the company for any reason.
5. Renewal of the registration is not made on the date scheduled by the Law and more than ninety (90) days have lapsed from the scheduled date for renewal without an application being submitted despite notifying the concerned party .

Article (17):

The Department may annul a Project from the Register Project in the following cases:

1. A Project which cannot be registered in the Register without meeting the requirements and procedures mentioned in Article 8 of this Bylaw.
2. The Project ceases to carry out the activities registered in the Register for not less than one year. In the event that the Project ceases to carry out one of the activities, the annulment shall be limited to that activity alone.
3. Breach of any of the obligations mentioned in Article 15 of this bylaw.
4. Failure to meet the Omanization rate specified by the Authority.
5. Expiry of the usufruct agreement or lease contract concluded with the Authority, Developer or the Main Operator.

Annuling in the cases contained in clauses 1 to 5 of this Article shall be made after notifying the concerned party of the breach and specifying a term not exceeding sixty (60) days to rectify the breach and the elapse of the term without doing so.

Article (18):

Annulment of the Project from the Register shall not entail the end of its legal personality and shall not affect the rights of the third parties.

In all cases, the concerned party may not proceed with ending the Project before meeting all its obligations in the Sultanate.

Article (19):

The decision to annul Project from the Register shall be published in the manner the Department determines.

Article (20):

The Annulled Project shall not apply for reinstatement before three (3) years have passed from the date of Annuling unless the Board of Directors otherwise determines.



Issuing the rules regulating tax exemptions at the Special Economic Zone in Duqum

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Encyclopedia Special Economic Zone at Duqm Legislations



Decision Number (236/2015) Issuing the Bylaw regulating tax exemptions at the Special Economic Zone in Duqum

In pursuance to Royal Decree Number 119/2011 on the establishment of the Special Economic Zone Authority at Duqum and issuing it's Articles;
Royal Decree Number 79/2013 on the issuance of the Articles of the Special Economic Zone at Duqum;
Royal Decree Number 44/2014 on lifting the capacity of a public utility from some of the schemes within the scheme of the Special Economic Zone Authority at Duqum;
Decision of the Board of Directors of the Special Economic Zone Authority at Duqum, Circular Number (2/2015) dated 24th Jumada Al Akhirah 1436 Hijri corresponding to 14th April 2015, approving the rules regulating the tax exemptions, attached herewith;
And in pursuance of the public interest,

it has been decided:

Article (1):

The attached Rules shall apply on regulating the tax exemptions at the Special Economic Zone at Duqum.

Article (2):

The Chairman of the Board of Directors of the Special Economic Zone Authority at Duqum shall issue the decisions and instructions necessary to implement the provisions of the attached Rules.

Article (3):

All that contravenes this Decision shall be abolished, the Rules attached thereto or contradicts with its provisions and shall be effective from the date of issuance.

Issued on: 7th Ragab 1436hijri
Corresponding to: 26th April 2015

Yahya bin Said Al-Jabri
Chairman of the Board of Directors

The Bylaw regulating tax exemptions at the Special Economic Zone at Duqm

Chapter One Definitions and General Provisions

Article (1):

In the application of these Rules, the following words and terms shall have the meanings assigned thereto them unless the context otherwise requires:

Authority: The Special Economic Zone Authority at Duqm

Zone: The Special Economic Zone located in the State of Duqm Definition in 119/2011 for the purposes of establishing the economic and service projects and other projects within the boundaries and location shown in the Scheme attached to Royal Decree Number 119/2011 and Royal Decree Number 44/2014 referred to above.

Board: Board of Directors of the Authority

Minister: The Minister responsible for the financial affairs

Chairman: Chairman of the Board

Secretariat: The Secretariat General for Taxation at the Ministry of Finance

Projects: The Enterprises licensed to be established at the Zone, whether they are in the form of individual institutions, firms, company branches or foreign institutions or the licensed professional or handicraft activities to be practiced at the Zone.

Legal Representative: The natural person or corporate body authorized by the Enterprise to practice the whole or part of its businesses and take action on its behalf regarding all the necessary procedures that the Authority may request.

Article (2):

This bylaw shall apply to all the Projects licensed to be established at the Zone. However, in case that there is no special text provided for it in these Rules and the Decision issued in implementation thereof, there shall apply the provisions of the Income Tax Law issued in pursuance to Royal Decree Number 28/2009 and its Executive Regulations and the Decisions issued in implementation thereof.

Article (3):

To enjoy tax exemptions, Projects must fulfill the following requirements:

1. Registered at the Commercial Register at the Zone, in accordance with provisions of Projects Registration Regulation issued by the Authority.
2. Licensed to exercise one of the activities specified in accordance with the rules contained in the Environment Investment Organizing Regulation issued by the Authority.
3. Commitment to exercise the licensed activities within the boundaries of the Zone.
4. Commitment to the Omanization percentage specified by the Board.

Article (4):

Projects shall enjoy the income tax exemption in accordance with a decision issued by the Minister at the request of the Chairman. This tax exemption shall not apply to the banks, financial institutions, insurance and reinsurance companies and the enterprises operating in the field of provision of telecommunications services, companies and institutions operating in the field of road transport unless they are registered at the Authority and exercise their activities, on permanent basis, within the boundaries of the Zone.

Article (5):

The income tax exemption period is (30) thirty calendar days or the period of the lease contract or the Usufruct agreement, which is closer. The tax exemption commences from the commencement date of the activity and fulfilment of all the requirements required by law for tax exemption. The period of tax exemption may be extended in accordance with the terms, controls and procedures provided for in these Rules.

Article (6):

Tax exemption is limited to the Projects income realized from the licensed activities exercised within the Zone, excluding the other activities exercised outside the Zone.

Article (7):

The Projects that has been exempted from tax in accordance with the provisions of these Rules shall be committed to submit a final income declaration for each issued tax year to the Secretariat on the models prepared for this purpose in accordance with the provisions set forth in the income tax law and its executive regulation.

The payable tax based on the income declaration submitted in accordance with the provisions of this Article is not payable provided that all the requirements prescribed for enjoying the tax exemption are fulfilled.

Chapter Two Income Tax Exemption Procedures

Article (8):

The Project's legal representative shall submit the application for income tax exemption on the model prepared for this purpose to the Competent Department at the Authority. The application shall include information about the Project based on the commercial register and other official records and documents, along with the official documents required to prove that the conditions and controls required for tax exemption are fulfilled in accordance with the requirements of the model.

The application and attachments thereto shall be submitted within (3) three months from the commencement date of the activity or from the renewal date, as appropriate.

Article (9):

The Competent Department may request any information or documents it may deem appropriate to consider and decide on the application.

The Competent Department at the Authority shall study the application and decide on the extent of whether or not the requirements required by the law for tax exemption are available.

The application along with the results of the Competent Department's review shall be presented for the Chairman's decision who shall submit the same with all the documents provided by the Project to the Secretariat within (30) thirty days from the date of submission of the application in order to be referred to the Minister for issuance of the decision.

Article (10):

The Secretariat shall assume the following:

1. Studies the application to verify the fulfilment of the conditions and controls required by the law for tax exemption.
2. Prepares a draft decision on the tax exemption and submits it to the Minister for issuance.
3. Notifies the Authority and the Project about the decision taken on the application for tax exemption.
4. Records the decisions issued on tax exemptions in the register prepared for this purposes at the Secretariat in accordance with the provisions of these Rules.

Chapter Three

Obligations and Powers

Article (11):

Projects are committed to keep regular books of accounts in which they shall record the income realized from the activities exercised within the Zone with a state of other income realized from any other activities practiced outside the Zone, provided that they are audited by a licensed auditor to practice the auditing profession in accordance with the Omani laws, international norms and standards. A copy of the annual accounts, financial statements and the auditor's report shall be submitted to the Authority within (6) six months from the end of the fiscal year for which the accounts and financial statements have been prepared.

Article (12):

The Authority is committed to the following:

1. Provide the Secretariat with a copy of the financial statements of the Enterprises registered at the Zone.
2. Provide the Secretariat with the required documents, data and information as required by the Secretariat.
3. Follows up the Projects and verifies their continued adherence to the controls and conditions set forth in these Rules.
4. Notify the Projects of the necessity to correct any violation to the controls and conditions set forth in these Rules within one month from the notification date and sends a copy thereof to the Secretariat.

The Authority may coordinate with the Secretariat to establish electronic channels to share these information and documents with the Projects registered at the Zone.

Article (13):

The Secretariat is committed to the following:

1. Opens a private register for every Project to ensure the extent of its adherence to the controls and conditions set forth in these Rules.
2. Coordinates with the Authority during the verification and auditing processes conducted on the Project to ensure their adherence to the controls and conditions set forth in these Rules.

Article (14):

The Minister, based on the Authority's or Secretariat's request, may take the following actions:

1. Suspends the tax exemption decision, temporarily, until the provision of the accounts and documents provided for in these Rules.
2. Withdraws the tax exemption decision, considering it as if it had not happened, if it has become evident that the decision has been taken based on incorrect reasons.
3. Cancels the tax exemption decision starting from the date on which the Project is no longer practicing its business within the Zone on a regular basis or there was no prove as to the availability of the controls and rules required by the law for tax exemption.

In all cases, the Secretariat must notify the Authority and the Project about the decision of the suspension, withdrawal or cancellation of the tax exemption temporarily and record the decision in the register prepared for this purpose at the Secretariat.



Bylaw Regulating the Urban Planning and Building Permits at The Special Economic Zone at Duqm

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Duqm

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Number (322 /2015) Issuing the Bylaw Pegulating the Urban Planning and Building Permits at The Special Economic Zone at Duqm

In pursuance to Royal Decree Number 119/2011 establishing the Special Economic Zone Authority at Duqm and issuing its regulation,

Royal Decree Number 79/2013 issuing the Regulation of the Special Economic Zone at Duqm;

Royal Decree Number 44/2014 lifting the status of Public Utility from some of the lands located within the master plan of the Special Economic Zone Authority at Duqm;

Approval of the Board of Directors of the Special Economic Zone Authority at Duqm in the Board's third meeting held on 16 June 2014;
And in pursuance of the public interest,

it has been decided:

Article (1):

The attached Bylaw shall apply to regulating the urban planning and building permits in the Special Economic Zone at Duqm.

Article (2):

All that is contrary to this decision and the attached Bylaw or contradicts with the provisions hereof is hereby repealed.

Article (3):

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

**Issued on: 21 Ramadhan 1436hijri
Corresponding to: 8 July 2015**

**Yahya bin Said Al Jabri
Chairman of the Board of Directors**

The Bylaw Regulating the Urban Planning and Building Permits at the Special Economic Zone at Duqm

Article (1):

In the application of this Bylaw, the following terms and expressions shall have the meanings assigned thereto unless the context otherwise requires:

Authority: The Special Economic Zone Authority at Duqm

Zone: The Special Economic Zone located in the Wilayat Al-Duqm for the purposes of establishing the economic, service and other projects within the boundaries and sites are shown in the plan attached to Royal Decree Number 119/2011 and Royal Decree Number 44/2014 which are referred to above.

Board: Board of Directors of the Authority

Chairman: Chairman of the Board

Projects: The Projects that are licensed for establishment in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities licensed to be conducted in the Zone.

Economic Activity: Any commercial, industrial, agricultural, tourism, real estate, media, service or professional activity, and any other activities required for the work within the Zone that do not contradict with the laws in force in the Sultanate.

Master Operator or Developer: The body responsible for the management and operation of the strategic facilities at the Zone or the development of part of the Zone .

Article (2):

Provisions of this Bylaw shall apply to all the lands, buildings and construction Projects in the Zone.

Article (3):

The Master Operator or Developer shall assume the preparation of the Master Plan of the site specified in the development contract. The Master Plan consists of the organizational plan at all levels as follows:

1. The detailed survey.
2. The Master Plan.
3. The detailed Master Plan.

Article (4):

The following shall be considered in the Master Plan referred to in Article (3) of this Bylaw:

1. To be in accordance with the vision of the Authority and its approved planning standards and to be prepared by qualified and specialized engineering companies and consultancy offices licensed to operate in the Sultanate.
2. To be prepared in accordance with the Geographical Information System (GIS) and Engineering Drawing System (AutoCAD); using the World Geodetic System (WGS84) adopted in the Sultanate in the form of paper and digital maps.
3. To be prepared in conformity with the environmental impact assessment study and the legislations in force at the Zone.
4. Take into account the Design and Building Guidelines for buildings and other prescribed specifications issued by a decision from the Chairman.

Article (5):

The detailed survey of the site must include the following:

1. Detailed description of the site in terms of Topographic and Hydrologic nature and geophysical characteristics of the soil and its special characteristics.
2. Detailed description of the relationship between the site and its surroundings, showing infrastructure such as road, supply and distribution lines of water, electricity, telecommunications, drainage network, water channels and underground telecommunications networks.
3. Prepare a map showing the site boundaries, contour lines, main connection points with the infrastructure networks and level of the road at the entrance.

Article (6):

The Authority shall provide to the Master Operator or Developer the required data and information and facilitate the entry procedures to the site

Article (7):

The Master Operator or Developer must submit the detailed survey report to the Authority within the agreed date and pay the prescribed fee.

The Authority shall issue its decision on the report referred to above within (15) fifteen working days from the submission date, and in case of elapse of the stated period without any decision being taken thereon, it shall be deemed approved, and in case of rejection the decision must be justified.

Article (8):

On condition that the detailed survey report is approved, the Master Operator or Developer shall undertake the preparation of the Site Master Plan, which must include the following:

- a. Land Use Masterplan, shall take into account determining the location, areas and corridors to be allocated and reserved for public use purposes, including roads hierarchy , Pedestrian Sidewalks, parking for all type of vehicles, Public facilities, Utilities Corridors (Major & Minor), green spaces, landscaping, worship and social facilities. The percentage of Each land use shall be compared with the total area

Furthermore, the locations and the areas shall be considered in all type of economic uses such as, Residential, commercial, mix-use, offices, tourism, warehouses, and industrial uses.

The percentage of Each land use shall be compared with the total area.

- b. Guidelines for each land use must include the following:
 1. Minimum Land area of the site fronting the road and the plot connection to the Public Infrastructure.
 2. the development density, the minimum setbacks requirements, Maximum built up area, number of floors, and the maximum building heights
 3. Parking Standard must be considered to provide enough parking area for all type of vehicles.
 4. Benchmarking for the needs of the electric power, drinking water, fire-fighting water and irrigation water on the basis of the plot of land.
 5. Planning strategy, Architectural Guidelines, and allocating the land based on that.
- c. Site development and management plan, including the development phases, implementation timetable, entire needs of the electric power and drinking water, fire-fighting and irrigation water, requirements for the site management and services provided to the users within its borders, management and maintenance requirements of the public utilities, lands and public facilities.

Article (9):

The Master Operator or Developer must submit the Master Plan to the Authority within the agreed deadline and pay the prescribed fee.

The Authority shall issue its decision on the above mentioned master plan within (15) fifteen days from the date of receipt, and in case of elapse of the said period without any decision being taken thereon, the decision is deemed as “acceptable” and in case of rejection the decision must be justified.

Article (10):

In case the Site Master Plan is approved, the Main Operator or Developer shall undertake the preparation of the Site Master Plans of the lands, which must comply with Design and Building guidelines and shall include all the required details for each plot of land:

- a. Coordinates of the plot of land, in accordance with the approved geographic information system, area and the dimensions of each sides of the plot..
- b. The land use of the plot, including all the proposed buildings, and the ratio of the built-up area.
- c. The building levels with reference to the surrounding roads network, connections and junctions , with the surrounding roads network and infrastructure networks that serve it.
- d. Maximum built up area and floor area ratio, the maximum height and setbacks.
- e. The parking area for the various categories of vehicles, determined on the basis of the building area and type of use.
- f. The architectural identity and style that determine the buildings elevation, boundary walls, specification of building material and colors, and site plan control guidelines.

Article (11):

The Master Operator or Developer must submit the detailed schemes to the Authority within the deadline agreed upon in the time schedule of the program contained in the development and management scheme of the site and pay the prescribed fee.

The Authority shall issue its decision on the scheme referred to above within (15) fifteen business days from the date of receipt of the scheme, and in case of elapse of the said period without any decision being taken thereon, the decision is deemed as “acceptable” and in case of rejection the decision must be justified.

Article (12):

The Authority may modify the Site Master Plan or the detailed scheme of the site based on the application submitted by the concerned body (The Enterprise, Master Operator or Developer on the form prepared for this purpose, stating the reasons and justifications for the modification. The referred to application referred to must include identification of the elements to be modified, modifications for the work plan and time schedule for the implementation of the development project at the various stages, the additional burdens on the infrastructure services and absorptive capacity, the environmental impact assessment therefor and resulting impact of the implementation of the commitments contained in the development and management plan of the site. The Authority may request the concerned body to provide any documents or data it may deem necessary to decide on the application.

Article (13):

The Authority may split any land, merge two or more lands in a single plot of land based on an application submitted by the concerned body (The Project, Master Operator or Developer) on the form prepared for this purpose, stating therein the reasons and justifications, subject to provision of a detailed scheme of the plot of land developed according to Article (10) of this Bylaw, in such a way that does not contradict with the provisions of the Bylaw and reconstruction scheme prescribed within the Site Master Plan of the site. In all cases, every plot of land must be situated on the road that give access thereto with an entrance of not less than (12) twelve meters and fixed points to link it with the basic infrastructure that serves the site.

Article (14):

The application referred thereto in Articles (12 & 13) of this Bylaw shall be submitted to the Authority, attaching therewith the required documents and data and prove of payment of the prescribed fee. The Authority must take its decision thereon within fifteen (15) business days from the date of submission of the application. In case of no decision being taken thereon after the elapse of the said period, the decision shall be deemed as "acceptable" and in case of rejection, the decision must be justified.

Article (15):

No building or construction project shall be initiated at the Zone except after obtaining a building permit from the Authority in accordance with the provisions of this Bylaw.

Article (16):

The application for the building permit shall be submitted to the Authority on the required order and format. All the original documents and the building drawings and other required documents must be attached with the application, in accordance with the proof of payment of the prescribed fee.

Article (17):

The Architectural and Structural drawings, enclosed with the building permit application must be approved by an authorized and qualified consultancy company in the Sultanate of Oman and also approved by the Public Authority of Civil Defense and Ambulance.

Article (18):

The building plans must adhere to the Master Plan at the various levels, the architectural and technical conditions of buildings and other prescribed specifications established by a decision of the Chairman. The concerned bodies must submit executive summaries showing the extent of adherence by the designs to the required conditions and observance of the percentages and standard figures contained in the prescribed organizational schemes.

Article (19):

The Authority shall review the building permit application and take a decision thereon, either by accepting or rejecting the application, within (15) fifteen business days from the date of submission of the application, attaching therewith the required documents and in case of rejection the decision must be justified.

Article (20):

The Applicant for the permit shall be notified of the rejection decision of his

application at the address recorded in the permit application. The concerned body may contest the rejection decision by submitting an application thereon to the Chairman within (60) sixty days from the date of notification of the rejection of his application, stating therein the reasons for the appeal, attaching the supporting documents and a copy of the contested decision.

Article (21):

The appeal shall be considered and a decision be taken thereon, either by accepting or rejecting, within not more than (30) thirty days from the date of the submission and notify the concerned body of the result of the appeal. In case of elapse of this period without any decision being taken, the decision shall be deemed as an approval.

In all cases, the decision of the Chairman on the appeal is considered final.

Article (22):

The building permit shall be valid for one year, renewable for a similar period or periods based on an application filed by the concerned body, attaching the proof of payment of the prescribed fee.

Article (23):

The construction Licensee must appoint a qualified consultancy company in the Sultanate in order to supervise the implementation of the construction works, ensure adherence to the prescribed license plan and construction conditions.

Article (24):

The following works shall not be undertaken except after obtaining a license from the Authority, in accordance with the conditions and procedures established by a decision from the Chairman:

1. Excavations on the public highway or the surroundings in order to have access to infrastructure services for the project.
2. Excavations outside the borders of the land licensed for the utilization.

Article (25):

It is prohibited to leave any rubbles and construction materials or disposal sites other than the designated ones that have been determined by the Authority.

Article (26):

In case of violating the provisions of Articles (21 & 22) of this Bylaw, the Authority may take one of the following two actions:

1. Obligate the violator to remove the causes of the violation and correct the situation within the deadline to be determined by the Authority.
2. Remove the causes of the violation and correct the situation at the expense of the violator and obligate him to bear all the expenses incurred by the Authority in this connection.

In all cases, the Authority may impose an administrative fine of not more than OMR (100,000) Hundred Thousand Omani Rials for each day of violation on the violator after notifying him of the need to remove the violation and the expiration of the deadline therefor.

Article (27):

The concerned body must stop the excavation works, construction or reconstruction immediately in case that it has found traces of monuments at the site and must notify the Authority thereof.

Article (28):

The concerned body must, after completion of the construction works, submit an application to the Authority to obtain a constructions completion certificate on the form prepared for this purpose, attaching therewith a report prepared by the company or the engineering office that supervised the implementation of the construction works confirming commitment to the licensing conditions and other conditions and specifications determined by the Authority concerning the use of the building or nature of the economic activity intended to be practiced. The Authority may request the documents and data it deems necessary and carry out the necessary inspections to enable it to decide on the said application.

No building shall be occupied except after obtaining the mentioned certificate.

Article (29):

The Authority shall study the building permit application within (10) ten business days from the date of satisfying all the documents and carry out the required inspections. In case of elapse of the mentioned period without any decision being taken thereon, the decision is deemed as “acceptable” and in case of rejection the decision must be justified.

Article (30):

The Applicant shall be notified of the decision thereon at the address recorded in the licensing application within (5) five business days and the concerned body may contest the decision in case of rejection before the Chairman within (60) sixty days from the date of notification or the date he has become aware for sure of the rejection of his application, stating therein the reasons for the appeal and the supporting documents thereof.

Article (31):

The appeal shall be reviewed and decided upon, either by accepting or rejecting, within not more than (30) thirty days from the date of submission and notify the concerned body of the result of the appeal. In case of elapse of the said period without any decision being taken thereon, the decision is deemed as “rejection”. In all cases, the decision of the Chairman on the appeal is final.



Bylaw Regulating the Investment Climate at the Special Economic Zone at Duqm



Decision Number (323 /2015) Issuing the Bylaw Regulating the Investment Climate at the Special Economic Zone at Duqm

In pursuance of Royal Decree Number 119/2011 establishing the Special Economic Zone Authority at Duqm and issuing the Zone's Articles and Articles of the Special Economic Zone at Duqm issued in pursuance to Royal Decree No 79/2013;

Royal Decree Number 44/2014 lifting the status of Public Utility Project from some of the lands located within the master plan of the Special Economic Zone Authority at Duqm;

Approval of the Board of Directors of the Special Economic Zone Authority at Duqm in the Board's third meeting held on 16 July 2014.

And in pursuance of public interest,

It has been decided:

Article (1):

The attached Regulation shall apply to regulating the investment climate at the Special Economic Zone at Duqm.

Article (2):

The Projects that are licensed for establishment in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities existing in the Zone on the effective date of this Bylaw, shall reconcile their positions in accordance with the provisions of this Bylaw.

Article (3):

All that is contrary to the attached Bylaw or contradicts with the provisions hereof is hereby repealed

Article (4):

This decision shall be published in the Official Gazette and shall be effective from the date following the date of publishing.

Issued on: 21 Ramadhan 1436hijri
Corresponding to: 8 July 2015

Yahya bin Said Al-Jabri
Chairman of the Board of Directors

The Bylaw organizing the Investment Climate at the Special Economic Zone at Duqm

Chapter One Definitions and General Provisions

Article (1):

In the application of this Bylaw, the following words and terms shall have the meanings assigned thereto them unless the context otherwise requires:

Authority: The Special Economic Zone Authority at Duqm

Zone: The Special Economic Zone located in the Wilayat Al-Duqm for the purposes of establishing the economic, service and other Projects within the boundaries and sites are shown in the plan attached to Royal Decree Number 119/2011 and Royal Decree Number 44/2014 which are referred to above.

Board: Board of Directors of the Authority

Chairman: Chairman of the Board

Project: The Projects that are licensed for establishment Definition in Royal Decree 119/2011 in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities licensed to be conducted in the Zone..

Economic Activity: Any commercial, industrial, agricultural, tourism, real estate, media, service or professional activity, and any other activities required for the work within the Zone that does not contravene with the laws in force in the Sultanate.

Permit: The approval issued by the Authority to the project to practice an economic activity at the Zone.

Article (2):

Provisions of this Bylaw shall apply to the Projects that practice an Economic Activity. In case that there is no special text provided for thereon in this Bylaw and the decisions issued in implementation thereof, provisions of the laws, regulations and rules relevant to the licensed activity, in force in the Sultanate, shall apply thereto.

Article (3):

Licensing to practice any Economic Activity under the jurisdiction of another body is subject to the consent of that body before starting the activity.

Chapter Two Licensing Procedures

Article (4):

No Project shall practice in any Economic Activity within the Zone, except after obtaining a license from the Authority in accordance with the provisions of this Regulation.

In the case of any Project wishing to practice more than one activity within the Zone, the Project must obtain a license for each activity in accordance with the provisions of this Bylaw and the decisions issued in implementation thereof.

Article (5):

No Project shall start preparing any facility or carry out any preparatory works, except after submitting a license application and obtaining the preliminary approval of the Authority in accordance with the provisions of Article (8) of this Bylaw.

Article (6):

No Project shall be licensed to practice any prohibited or restricted activity except after satisfying the legally prescribed conditions and procedures for lifting the prohibition or restriction.

Article (7):

The licensing application shall be submitted to the Authority by the proprietor or his legal representative on the form prepared for this purpose, attaching therewith the documents determined in the mentioned form.

The Authority may request the documents and data that it deems necessary to accept the license application, and the application shall be deemed canceled if the applicant has not provided all the documents specified in the form within twenty (20) business days from the date of the notification thereof.

Article (8):

The Authority must study the license application and verify that the necessary documents and data have been satisfied and issue the temporary preliminary approval or reject it, stating the reasons therefor, within (15) fifteen business days from the date of submission of the application, along with the necessary documents and data.

The concerned parties are prohibited from engaging in practicing any activity except after obtaining the final license.

Article (9):

The issued temporary preliminary approval shall be coupled with defining the conditions to be met until the legally prescribed inspection procedures on the facility are conducted following the setup and preparation of the facility. During the specified deadline to enable the issuance of the final license.

Article (10):

The economic activities contained in the table attached to this Bylaw are subject to inspection by the Authority before the issuance of the license and engagement in practicing the economic activity.

Article (11):

In case that the Authority has become convinced that the conditions required for practicing the economic activity have not been met, the Authority may take one of the following two actions:

1. Grant the Project a final deadline to satisfy the conditions necessary for practicing the activity.
2. Reject the license application and in which case the temporary preliminary approval shall be deemed as «not issued».

Article (12):

The Applicant must, after meeting all the conditions contained in the temporary preliminary approval for practicing the activity, notify the Authority thereof for obtaining the final license.

The Authority shall, after making sure that all the conditions have been met, issue the final license within (15) fifteen business days from the date it has received the notification from the Applicant.

Article (13):

The term of the license is (1) one year from the date of issue, renewable for a similar period or other similar periods based an application submitted by the concerned party within not less than (30) thirty days before the expiry of the term, subject to meeting all of the legally prescribed conditions and payment of the prescribed fee.

In the case of rejection of the licensing application or renewal thereof, the rejection decision must be justified.

Article (14):

The Applicant shall be notified of the rejection decision of his application at the address recorded in the license application, however the concerned party may contest the rejection decision by submitting an application thereof to the Chairman within (60) sixty days from the date the concerned party is notified of the rejection , stating therein the reasons for the appeal and the supporting documents thereof, along with a copy of the contested decision.

Article (15):

The appeal shall be reviewed and a decision shall be made thereon, either by accepting or rejecting it, within not more than (30) thirty days from the date of submission and the Authority shall notify the concerned party of the result of the appeal. In case of elapse of the said period without any decision being taken thereon, the decision shall be deemed as an “approval”. In all cases, the decision of the Chairman on the appeal is final.

**Chapter Three
Obligations and Prohibitions****Article (16):**

The Authority may request the documents and data it may deem appropriate to carry out the required inspections to verify that the Projects that have been licensed to practice the economic activity within the Zone are committed to the provisions of this Bylaw, conditions of the licenses issued to them and the laws in force in the Sultanate.

Article (17):

The Projects that have been licensed to practice the economic activity at the Zone shall be committed to the following:

1. Observe the Sultanate's obligations in pursuance to the international agreements relevant to the licensed economic activity.
2. Be committed to the laws in force in the Sultanate, the Bylaws and decisions issued by the Authority.
3. Abide by the conditions contained in the licenses issued to them.
4. Maintain the necessary registers and provide the data and information determined by the Authority.
5. Pay the legally required fees and taxes on time.
6. Collaborate with the law enforcement employees of the Authority to enable them to discharge their legally prescribed functions and facilitate the performance of their work.
7. Notify the Authority immediately of any amendments that occur in the data contained in the licenses issued to them or in the headquarters of their businesses.
8. Abide by the prescribed Omanisation percentages.

Article (18):

The Projects that have been licensed to practice the economic activity at the Zone are prohibited from the following:

1. Practicing any activity other than the ones specified in the licenses issued to them.
2. Concede the license without a written approval from the Authority.
3. Modify the legal form of the Projects without the written approval from the Authority.
4. Take any action that may impede the work at the Zone, contravene with its objectives or threaten the security of the projects, investors, their employees and residents or expose their safety to danger.
5. Possess goods originating in countries that the Sultanate has decided to economically boycott.
6. Possess spoiled, impaired or expired goods, or those that have a negative impact on the environment.
7. Possess goods carrying writings, drawings or signs that contravene with the beliefs, teachings, and concepts of Monotheistic religions or contradict with the ethics and morals.
8. Possess goods that violate the intellectual property protection, and the industrial, commercial, literary and artistic laws in force in the Sultanate.
9. Possess goods that are banned from entering the Sultanate.
10. Violate the conditions and requirements of public health, safety and environment preservation.

Chapter Four Cancellation and Suspension of Licensing

Article (19):

The license issued to the Project shall be cancelled in the following cases:

1. If it has proved that the license has been issued based on incorrect data and information or forged documentations.
2. If it has proved that the Project has practiced one of the activities that are prohibited to be practiced at the Zone.
3. Upon the request of the licensed Project.

Article (20):

The Authority may suspend the license issued to the Project or impose an administrative fine of not more than (100,000) One Hundred Thousand Omani Rials or both penalties in the following cases:

1. In case the Project violates any of the conditions contained the license.
2. Violate any of the laws in force in the Sultanate, the regulations and decisions issued by the Authority.
3. Cease to practice the licensed activity for more than (3) three months without acceptable reasons.
4. Conduct any work that, directly or indirectly, threatens the public health, public safety or environment preservation at the Zone.
5. Failure to pay the fees or any other amounts due to the country on time.
6. Sale of the whole facilities and technical installations erected by the projects on the rented lands without notifying the Authority.

In the case of continued violations after the suspension of the license or imposition of the fine, the Authority may consider cancellation of the license.

Article (21):

The Authority may not suspend the license issued to the Project in the cases provided for in Article (20) of this Bylaw before notifying the concerned party of the violation issued to the Project and determining the deadline for the removal and the expiry of the term given until the deadline without the removal of any violation.

Article (22):

The concerned party may appeal the decision issued on the suspension of the license or cancellation thereof based on an application submitted to the Chairman within (60) sixty days from the date of the notification. The appeal must be decided thereon within (30) thirty days from the date of submission. In case of elapse of the said period without any decision being taken thereon, the decision will be deemed as “acceptable”. In all cases, the decision of the Chairman on the appeal is final.

Table of the economic activities subject to inspection by the Authority before granting the final license and engagement in practicing the economic activity

S/N	Economic Activity
1	Storage and transportation of petroleum and its derivatives
2	Storage and transportation of natural and liquefied gas
3	Heavy industries
4	Food industries
5	Pharmaceutical industries
6	Restaurants
7	Cinemas
8	Commercial complexes
9	Chemical materials warehouses
10	Foodstuff warehouses
11	Schools and scientific institutes
12	Health centers and hospitals
13	Nurseries
14	Liquid, solid and hazardous wastes disposal installations
15	Disposal installations for liquid, solid and hazardous wastes



Bylaw Regulating the Environmental Permits of the Special Economic Zone at Duqm



Decision Number (326 / 2015) Issuing the Bylaw Regulating the Environmental Permits of the Special Economic Zone at Duqm

In pursuance to Royal Decree Number 119/2011 establishing the Special Economic Zone Authority at Duqm and issuing its Regulation;
Royal Decree Number 79/2013 issuing the regulation of the Special Economic Zone at Duqm;
Royal Decree Number 44/2014 lifting the stany of public Utiling Porject from some of the Lands Located within the MasterPlan of the Special Economic Zone Authority at Duqm;
Approval of the Board of Directors of the Special Economic Zone Authority at Duqm in the Board's fourth meeting held on 31 December 2014;
And in pursuance of the public interest,

it has been decided:

Article (1):

The provisions of the attached Bylaw organizing environmental permits at the Special Economic Zone at Duqm shall come into effect.

Article (2):

Projects existing in the Special Economic Zone at Duqm as on the date of enforcement of the provisions of the attached Bylaw shall regularize their situations accordingly within one year from the date of enforcement of the Bylaw.

Article (3):

All that is contrary to this decision and the attached Bylaw or contradicts with the provisions hereof is hereby repealed.

Article (4):

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

Issued on: 26 Ramadhan 1436 hijri

Corresponding to: 13th July 2015

Yahya bin Said Al-Jabri
Chairman of the Board of Directors

The Bylaw Regularizing the Environmental Permits at the Special Economic Zone at Duqm

Article (1):

In the implementation of this Bylaw, the following words and expressions shall have the meaning ascribed to each of them unless otherwise implied by the context:

Authority: The Special Economic Zone Authority at Duqm

Zone: The Special Economic Zone located in Wilayat Al-Duqm with the purpose of establishing economic, service and other projects, which boundaries and sites are shown in the plan attached to Royal Decree Number 119/2011 referred to above, and RD Number 44/2014 referred to above.

Chairman: Chairman of the Board of Directors of the Authority

Law: Bylaw on Handling and Use of chemicals issued in pursuance to Royal Decree Number 46/95, Law on Conservation of the Environment and Prevention of Pollution promulgated by Royal Decree Number 114/2001, Law on Protection of sources of potable water from pollution issued by Royal Decree Number 115/2001, and Law on Nature Reserves And Wildlife Conservation promulgated by Royal Decree Number 6/2003.

Projects: The Projects that are licensed for establishment in same Royal Decree 119/2011 the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities licensed to be conducted in the Zone, as well as development, building and construction works.

Economic Activity: Any commercial, industrial, agricultural, tourism, real estate, media, service or professional activity, and any other activities required for operation within the Zone that do not contradict with the laws in force in the Sultanate.

Article (2):

Provisions of this Bylaw shall apply to the projects, and for those cases which no special provision had been made regarding to in this Bylaw & the decisions & directives issued to implement it - provisions of the relevant laws and Bylaw, in force in the Sultanate, shall apply .

Article (3):

The Authority shall issue the necessary environmental permits for the Projects and take the necessary environmental measures.

No Projects shall practice their activities or make any amendments thereon before obtaining an environmental permit from the Authority in accordance with the form prepared for this purpose.

Article (4):

The Authority shall not issue any environmental permits to the Projects, except after verifying the fulfillment of the environmental requirements prescribed in accordance with the provisions of the law and this Bylaw.

Article (5):

The Authority issues the following environmental permits:

1. Preliminary Environmental Permit: to be granted before commencement of construction and shall be valid for a period not exceeding one year renewable for a similar period or similar periods.

Final Environmental Permit: to be granted after the completion of the construction process, valid for two years and renewable for a similar period or similar periods.

Temporary Environmental Permit: to be granted to the temporary Projects, infrastructure Projects and to the Projects complementary to the infrastructure ones for a period of one year, renewable.

In all cases, the permits referred to in the previous paragraphs will expire with the expiration of the purpose for which it has been issued.

Article (6):

The Projects stated in the Table annexed to this Bylaw must prepare an envi-

ronmental impacts assessment study, conducted by a specialized environmental consultancy firm, provided that the scope of the study and those in charge of it are approved by the Authority.

The Authority may exempt Projects from the environmental impact assessment study concerning its location - only and to the exclusion of other factors - in case the site is part of a development Project that has previously obtained an environmental permit.

In all cases, Projects must comply with the recommendations contained in the environmental impact assessment study.

Article (7):

The application for obtaining the environmental permit shall be submitted on the form prepared for this purpose, by the proprietor of the Project or his legal representative, attaching therewith the documents and data determined by the Authority.

The Authority may request the documents and data it deems necessary, and carry out the inspections it deems necessary to decide on the application for obtaining the environmental permit.

Article (8):

The Authority will study the application and decide thereon within (40) forty days, from the date of fulfilling all the documents, data and inspections required,. In case of elapse of the mentioned period without any decision being taken on the application, the decision is deemed as "approval". In case that the application for the environmental permit has been rejected, the decision must be justified.

Article (9):

The Applicant for the environmental permit shall be notified of the decision thereon at the address recorded in the application within (5) five working days, and the concerned body may contest the decision in case of rejection before the Chairman within (60) sixty days from the date of the notification or the date he has become aware affirmatively of the rejection of his application, stating therein the reasons for the appeal and attaching therewith the supporting documents.

Article (10):

The appeal shall be considered and a decision be made thereon, either by accepting or rejecting, within (30) thirty days maximum from the date of submission thereof, and the concerned body shall be notified of the result of the appeal. In case of elapse of this period without any decision being taken thereon, the decision shall be deemed as "rejection". In all cases, the decision of the Chairman on the appeal is final.

Article (11):

The Authority may undertake the required field visits to the Project in order to verify, at all stages, the extent of adherence to the prescribed environmental standards and conditions.

Article (12):

The Projects that are conducting any of the economic activities specified by a decision from the Chairman, shall be committed to record the data on the quantities and types of wastes resulting from the activity and the laboratory tests conducted thereon, the results of the self-monitoring programs it has conducted, and any other data the Authority deems appropriate for recording, in accordance with the data recording form prepared by the Authority for this purpose.

The Authority shall determine, in coordination with the National Documents and Archives Authority, the required period to maintain this record and the disclosure procedures of the data contained therein.

The information and data contained in the environmental record of the Project is considered confidential, and the staff of the Authority shall not disclose such information except in the legally sanctioned cases.

Article (13):

At the request of the Authority, Projects shall be committed to conduct an envi-

ronmental review to assess the performance of the economic activity from an environmental perspective in order to identify the shortcomings and gaps that may cause certain environmental pollution, and then put in place a corrective plan to fill the gaps and correct the environmental situation of the economic activity, such that the environmental review is carried out in the following cases:

1. Occurrence of an accident within the Project which may result in environmental contamination.
2. If the inspection results of the Project revealed an environmental contamination.
3. If the Project exists on the date this Bylaw enters into force, and is listed among the Projects contained in the table annexed to this Bylaw.
4. If the environmental review is necessary in accordance with the recommendations contained in the environmental impact assessment study.
5. Any other cases the Authority may deem necessary.

The environmental review must be conducted by a specialized environmental consultancy firm, subject to approval of the Authority of the scope of the review and the staff responsible thereof.

In all cases, Projects must be committed to implement the recommendations contained in the environmental review report within the deadline determined by the Authority.

Article (14):

The Authority shall have the right to carry out environmental inspections on the Projects to verify their compliance with the provisions of the law and this Bylaw and other environmental standards and requirements established by the Authority, as follows:

1. Periodic inspection: Provided that the Project is notified prior inspection, within at least three days.
2. Subsequent inspection: To verify that the environmental violation contained in the periodic report has been rectified within the period prescribed by the Authority, provided that the Project is notified thereof within at least three days.
3. Surprise inspections: In cases as the Authority may deem necessary.

Article (15):

The substances that are prohibited from entry into the Zone for environmental reasons shall be determined by a decision from the Chairman.

Article (16):

In case of proof of entry of prohibited substances into the Zone, the Authority shall cause the Project to either remove them out of the Zone or destroy them, as the case maybe, at its own expense.

The Authority may also remove such substances or destroy them at the Project's expense, and without prejudice to its right of recourse to the concerned body with the expenses it has incurred thereon, and to impose the prescribed compensation for the sustained damaged.

Article (17):

The Authority may, in case of a Project failure to meet its obligations prescribed in the law or this Bylaw, and other decisions and directives issued by the Authority, take one or more of the following actions:

1. Warn the concerned Project and notify it to correct the situation within a specific deadline.
2. Impose an administrative fine not exceeding OMR (200,000) Two Hundred Thousand Omani Rials.
3. Suspend the Project for a period not exceeding six (6) months.
4. Cancel the environmental permit.

The Authority may not suspend the Project or cancel the environmental permit in the two cases cited in items (3 & 4) of this Article, except after notifying the Project of the violation attributed thereto, determining a deadline for correcting

the violation, and the expiration of the mentioned deadline without correcting the violation.

Article (18):

The proprietor of the Project or his legal representative shall be notified of the decision issued in accordance with the provision of Article (17) of this Bylaw at the address recorded in the registers of the Authority. The concerned body may contest the decision, in case of rejection, to the Chairman within (60) sixty days from the date of the notification or the date he has become aware affirmatively that his application has been rejected, stating the reasons for the appeal and attaching therewith the supporting documents.

Article (19):

The Authority will study the appeal and take a decision thereon, either by accepting or rejecting it, within (30) thirty days from the date of submission thereof, and notify the concerned body of the result of the appeal. In case of elapse of the mentioned period without any decision being taken on the appeal, the decision is deemed as "rejection". In all cases, the decision issued by the Chairman is final.

Article (20):

The proprietor of the Project, his legal representative and the employees therein, must enable the concerned employees of the Authority to enter the Project, facilitate their work, give them access to the records and provide them with the data and information or the samples they may request.

Article (21):

The Chairman, upon consent of the Ministry of Finance, shall determine the fee payable to the Authority against issuing the environmental permits and approvals and the environmental services rendered for implementing the provisions of the law and the implementing Bylaws.

Table of the Projects that require preparation of potential environmental impact assessment study

S/N	Name of Project
1	Development and management of industrial estates
2	Development and management of logistic sites with an area of 10 hectares or more
3	Development and management of fishing harbors and fish industrial complexes
4	Development and management of tank farms for chemicals and petroleum storage, with an area of 5 hectares or more
5	Development and management of touristic villages with an area of 10 hectares or more
6	Petroleum refineries, chemical and petrochemical industries
7	Heavy industries
8	Hazardous and non-hazardous wastes landfill, treatment and disposal facilities
9	Construction of port quays and jetties
10	Fish farming with production capacity of more than 500 tons per annum for endogenous species, and any production capacity for exotic species
11	Electric power generating plants (Except for gas and renewable energy powered facilities)
12	Seawater desalination plants with production capacity of more than one million cubic meters per annum



Bylaw Regulating the use of the State Owned Lands at the Special Economic Zone at Duqm



Decision Number (327 / 2015)

Issuing the Bylaw Regulating the use of the State Owned Lands at the Special Economic Zone at Duqm

After pursual to Royal Decree (119/2011) Establishing Al-Duqm Special Economic Zone Authority and Issuing Its Regulation,;
Royal Decree 79/2013 on the issuance of the Articles of the Special Economic Zone at Duqm;
Royal Decree Number 44/2014 Lifting the Status of Public Utility Project from Some of the Lands Located within the MasterPlan of the Special Economic Zone Authority at Duqm;
Approval of the Board of Directors of the Special Economic Zone Authority at Duqm in the Board's fourth meeting held on 31 December 2014;
and in pursuance of the public interest,

it has been decided:

Article (1):

Provisions of the attached Bylaw shall apply to regulating the use of the State owned lands at the Special Economic Zone at Duqm.

Article (2):

All that is contrary to this decision and the attached Bylaw is hereby repealed.

Article (3):

This Decision shall be published in the Official Gazette and shall come effective from the date following its publication.

Issued on: 26 Ramadhan 1436hijri
Corresponding to: 13th July 2015

Yahya bin Said Al-Jabri
Chairman of the Board of Directors



Bylaw Regulating the use of State Owned Lands at the Special Economic Zone at Duqm

Chapter One Definitions and General Provisions

Article (1):

In the application of this Regulation, the following words and terms shall have the meanings assigned thereto them unless the context otherwise requires:

Authority: The Special Economic Zone Authority at Duqm

Zone: The Special Economic Zone located in the Wilayat of Al-Duqm for the purposes of establishing the economic projects, service projects and other types projects within the boundaries and the location shown in the Plan attached to Royal Decree Number 119/2011 and Royal Decree Number 44/2014 referred to above.

Board: Board of Directors of the Authority

Chairman: Chairman of the Board

Projects: The projects licensed to same in Royal Decree 119/2011 be established at the Zone, whether they are in the form of individual institutions, firms, company branches or foreign institutions or the licensed professional or handicraft activities to be practiced at the Zone.

Activity: Any commercial, industrial, agricultural, tourism, media, service or professional activity.

Usufruct Permit: The approval issued by the Authority to the project to use the State owned lands at the Zone.

Licensee (The Usufructuary): Any person or body who has obtained a usufruct permit from the Authority.

Article (2):

Provisions of this bylaw shall apply to the state owned lands at the Zone. In case that there is no special text provided for in this Bylaw and the decisions issued in implementation of this regulation, provisions of Royal Decree Number 5/81 on the regulation of the use of lands in the Sultanate, the Executive Regulations and the decisions issued in its implementation shall apply.

Chapter Two

Licensing Conditions for the use of the State owned lands at the Zone

Article (3):

The Authority alone may issue permits for the use of the State owned lands at the Zone. No person or body may use these lands without obtaining prior permit from the Authority in accordance with the provisions of this Bylaw.

Article (4):

Usufruct Permits shall be issued to the Projects in exchange with a usufruct fee

determined by the Board upon approval of the Ministry of Finance for practicing or expanding their activities or constructing accommodation buildings for their employees.

Usufruct permits shall also be issued to the governmental bodies, places of worship, public welfare institutions and charity organisation in exchange with a nominal amount of money or free of charge, following a decision issued by the Board upon approval of the Ministry of Finance.

Article (5):

The usufruct right of state owned lands at the Zone is regulated by the provisions of this Bylaw and conditions established by the Usufruct Agreement signed between the Authority and the Usufructuary in accordance with the standard usufruct agreement issued by the Authority in such a way that does not contravene with the provisions of this Regulation.

Article (6):

The usufruct right of State owned lands at the Zone is considered a temporary and shall expire with the expiration of the specified period or the expiration of the project, whichever comes first.

Article (7):

The Usufruct Agreement concluded between the Authority and the Usufructuary shall comprise of the following:

1. Specify the location, area of the used land and nature its use.
2. Specify the annual usufruct fee , the annual increase rate during the agreement period and the mode of payment.
3. Specify the financial guarantee to be provided by the Usufructuary.
4. Specify the Usufruct period.
5. Provide a description of the Project, its various components, its implementation phases and the Project timeline.
6. Specify the required Project documents which are to be submitted the Authority and procedures of dealing with the documents.
7. Specify the obligations of both parties.
8. Specify the circumstances for the termination of the agreement.
9. Specify the impacts on each party due to the breach of obligations and termination of the agreement.
10. Any other additional clauses that the Authority deems it appropriate to include in the agreement.

Article (8):

The land subject of the usufruct shall not be divided whatever the reason for the division may be.

Article (9):

The nature of the licensed Project and it's necessary needs shall be considered in determining the size of the land.

Article (10):

The usufruct period of the Projects on state owned lands at the Zone shall be for the period the project continues to practice its activity, provided that such period does not exceed (50) fifty calendar years, renewable subject to an application filed by the Usufructuary and the approval of the Authority.

Article (11):

There shall be observed in the right of the use prescribed under the provisions of this Bylaw that the purpose of the use is in agreement with the planning prepared for the land.

Chapter Three

Procedures for obtaining the Usufruct Permit

Article (12):

The application for obtaining the Usufruct Permit shall be submitted by the applicant or their legal representative to the Authority in accordance with the form prepared for this purpose, attaching therewith the documents and data contained in the form.

The Authority may request the documents and data it may deem appropriate to decide on the application.

Article (13):

The Authority shall study the application and make a decision on the submitted application within not more than (30) thirty days from the date of the submission of the application satisfying all the required data and documents. In the case that mentioned period has passed without any decision being made by the Authority, the decision shall be deemed as an "approval".

In case the application has been rejected, the decision must be justified.

Article (14):

The permit applicant shall be notified with the decision issued the regarding the application at the address recorded in the permit application within (5) five business days, and the applicant may appeal the decision in case of rejection to the Chairman within (60) sixty days from the date of the notification or the date he has become aware of the rejection of his application, stating therein the reasons for the appeal and attaching therewith the supporting documents.

Article (15):

The appeal shall be considered and a decision be made, either by accepting or rejecting the appeal, within not more than (30) thirty days from the date of the submission of the appeal and notify the applicant of the result of the appeal. In case this period has passed without any decision being taken thereon, the decision shall be deemed as "acceptable". In all cases, the decision of the Chairman on the appeal is final.

Chapter Four

Rights and Obligations of the Authority and the Usufructuary

Article (16):

The Authority shall be committed to hand over the land subject to the usufruct, to the Usufructuary free of any rights that may prevent the use of it in accordance with the terms and conditions contained in the Usufruct Agreement.

Article (17):

The Authority shall guarantee that the Usufructuary will not be interfered with for the whole usufruct period, whether by the Authority itself or any other party.

Article (18):

The Usufructuary shall, personally or his associates, have the right to use the licensed land and utilize it in such a way that does not violate the provisions of the Usufruct Agreement or contravene with the provisions of this Bylaw.

Article (19):

The Usufructuary shall be committed to use and utilize the licensed land with following:

1. The restrictions and rules decided by the Authority, as well as the restrictions set forth in the Usufruct Agreement.
2. Use the licensed land and utilise it in accordance with the purpose it has been prepared for.
3. Accomplish the project on the usufruct land within the period agreed with the Authority in accordance with the time schedule approved by the Authority.
4. Pay usufruct fee on the agreed deadline, without delay.
5. Preserve the land licensed for use and maintain it throughout the usufruct period.

Article (20):

The Usufructuary may dispose of the prescribed usufruct right under the provisions of this Bylaw, by all types of dispositions, on condition that the disposal does not contravene with the purpose for which the utilized land has been allocated, without prejudice to the ownership of the land itself and provided that the disposal is after the completion of the project and start of practicing of its activity. In all cases, no rights shall be devolved to the disposing body except within the limits of usufruct rights, period and the conditions prescribed in the Usufruct Agreement.

Article (21):

The Usufructuary must register the usufruct and all disposals conducted thereon, whether by relinquishing to another one or pledging it to the Authority.

The Chairman, upon approval of the Ministry of Finance, shall determine the fee payable to the Authority in return of these services.

Article (22):

The Usufructuary must be committed to hand over the used land to the Authority upon expiration of the usufruct period, free of any rights thereon.

Article (23):

The Usufructuary must be committed to hand over the used land to the Authority upon expiration of the usufruct period as of the same original status, remove all the buildings and facilities set up thereon, any wastes and rubbles unless an agreement in contrary thereto has been reached.

In case that the Usufructuary violates his prescribed obligations and the Authority is not interested in retaining these buildings and facilities, the Authority may take one of the following actions:

1. Sell the buildings and facilities in public auction.
2. Remove the buildings and facilities or the wastes and rubbles, if it cannot sell them, at the expense of the Usufructuary, without prejudice to the right of recourse by the Authority to the Usufructuary with all the costs incurred thereon and for compensation in return of the sustained damage.

Chapter Five Final Provisions

Article (24):

The Authority may cancel the Usufruct Agreement in the following cases:

1. If the Usufructuary has requested the cancellation.
2. If it has been proved that the Usufructuary obtained the permit based on incorrect data and information or forged documents.
3. If the permit for practicing an activity at the Zone has been cancelled.

4. If the project has been removed from the commercial register of the Zone.
5. In case of bankruptcy or liquidation of the Usufructuary or expiration of its legal personality.
6. Any other circumstances agreed upon between the two parties.

Article (25):

The Authority may cancel the Usufruct Agreement or impose an administrative fine of not more than OMR (100,000) One Hundred Thousand Omani Rials on the Usufructuary if he violates any of his obligations set forth in the Usufruct Agreement, conditions of the permit or this Bylaw.

The Authority may not cancel the usufruct permit in the cases referred to above before notifying the Usufructuary of the violation attributed to the project and determining the deadline for the removal of the causes of the violation and expiration of the mentioned deadline without removing the violation.

Article (26):

The Authority may cancel the usufruct permit for public utility considerations in accordance with the laws in force in the Sultanate.

The Usufructuary shall be notified of the decision on the cancellation of the permit at the address recorded in the registers of the Authority.

Article (27):

The licensee may appeal the permit cancellation decision by submitting an application to the Chairman within (60) sixty days from the date of notification of the permit cancellation, stating therein the reasons for the appeal and attaching therewith the supporting documents along with a copy of the appealed decision.

Article (28):

The appeal shall be reviewed and decided thereon, by accepting or rejecting the appeal, and within a period not more than (30) thirty days from the date of submission and notify the applicant of the result of the appeal. In the case this period has passed without any decision being taken thereon, the decision is deemed as a "rejection". In all cases, the decision of the Chairman on the appeal is final.

Article (29):

Cancellation of the permit in accordance with the provisions of this Bylaw shall not prejudice the Usufructuary's obligations toward any other party.

Article (30):

Without prejudice to the agreement concluded between the Authority and the Usufructuary, if the Authority expressed interest in retaining the buildings or facilities existing on the used land after the expiration of the usufruct period, the Authority must take the necessary actions to purchase them in accordance with the rules, administrative and financial procedures in force in the Authority, taking the following into consideration:

1. Obtain approval of the Board for the purchase process after verifying the economic feasibility of the purchase.
2. Form a committee, by a decision from the Chairman, from among the competent employees of the Authority to evaluate the buildings and facilities existing on the land. The Committee may seek assistance from the experts and specialists for the evaluation purposes, if necessary.

Article (31):

The Authority shall have, at all times, the right to request any documents, data or information it may deem appropriate and carry out inspections to verify the commitment of the Usufructuary towards the provisions of the Usufruct and Development Agreement, conditions of the permit and provisions of this Bylaw.



Tenders Bylaw of the Special Economic Zone Authority at Duqm





Decision Number (3/2016) Issuing Tender Bylaw of the Special Economic Zone Authority at Duqm

In Pursuance to Royal Decree NO (119/2011) Establishing the Special Economic Zone Authority at Duqm & issuing its Regulations,
Royal Decree NO (79/2013) issuing the regulations of the Special Economic Zone at Duqm ,
Approval of the Board of Directors of the Special Economic Zone Authority at Duqm,
And in pursuance of the public interest,

We have decided the following

Article (1):

The provisions of the accompanying regulation shall apply to Duqm Special Economic Zone Authority tenders.

Article (2):

All that is contrary to this decision or contradicts with the provisions hereof is hereby repealed.

Article (3):

This decision shall be published in the official gazette and shall come into force from the date following its publication.

Issued on: 25 Rabi' AL Awal 1437
Corresponding to: 6 January 2016

Yahya bin Said Al-Jabri
Chairman of the Board of Directors



Tenders Bylaw of the Special Economic Zone Authority at Duqm

Chapter 1

Definitions & General Provisions

Article (1):

In the implementation of the provisions of this regulations, the following words and expressions shall have the meaning ascribed to each of them unless otherwise necessitated by the context.

Authority: the Special Economic Zone Authority

Zone: The Special Economic Zone located in Wilayat Al-Duqm with the purpose of establishing economic, service and other projects, which boundaries and location are shown in the plan attached to the Royal Decree 119/2011, and the Royal Decree 44/2014.

Board: The Board of Directors of Duqm Special Economic Zone Authority.

Chairman of the Board: Chairman of the Board of Directors of the Authority.

Concerned Division: the Authority administrative division wishing to contract.

Public Tender: a set of procedures publicized in accordance with the provisions contained in this regulation and its rules. It may be local or international.

Article (2):

The provisions of this Bylaw shall apply to all of the contracts undertaken by the Authority.

Article (3):

Without violating the provisions of this Bylaw, the provisions of Tenders law issued by the Royal Decree Number 36/2008 & its executive regulations issued by Decision Number 29/2010 shall apply to the text where no provision had been made in this regulation.

Article (4):

Contracts for services and public utilities and other basic projects in the Zone shall be granted through public tender or engagement, however, contracting may also be done through any of the following methods:

- A. Limited Tender.
- C. Direct Assignment.
- D. Competition.

Article (5):

Contracting shall be concluded only within the amounts allocated within the Authority budget, unless otherwise approved by the concerned bodies.

Article (6):

While applying the provisions hereof, apart from essential cases recognized by the Authority, similar supplies, works or services may not be split.

Article (7):

The Authority shall not be bound to accept the lowest bid in its tenders or engagements, even when technically qualified.

Chapter 2 Tender Committee

Article (8):

A tenders committee shall be formed, consisting of (5) members, at the least, from the Board, Authority employees & competent non-Authority employees possessing experience and skills. Committee chairperson, deputy chairperson and secretary, who shall be one of the Authority employees shall be appointed by a Chairman decision upon approval of the Board.

Article (9):

Tender Committee shall have the following mandates:

1. Process contracts with value (1,000, 000) one million Omani Riyals or more.
2. Process contracts of companies established by the Authority, and government wholly owned companies established in the Zone that value more than (3,000,000) three million Omani Riyals.
3. Review technical specifications, terms, instructions provided by the concerned Division and ascertain their sufficiency.
4. Determine contract method, and announcement as per the data and specifications given by the concerned Division.
5. Receive bids, open envelopes or refer them to the contracting administrative Division for review, analysis and advice.
6. Receive the results of the studies, analysis from the contracted administrative Division, review, evaluate and take the appropriate decision.
7. Prepare a special register of suppliers, contractors, and approved consultancy offices as per the criteria set by the Board.
8. Set the value of tender invitation document according to the mechanism approved by the Chairman.
9. Review tender regulations drafts that are implemented by the companies established by the Authority, and government wholly owned companies established in the zone, and submit relating recommendations to the Board.
10. Suggest any amendments to this regulation, and submit recommendations in this regard to the Board.
11. Any other jurisdictions referred to Tender Committee by the Chairman or the Board.

Article (10):

The Tenders committee shall hold a meeting when required, upon the invitation of the Committee Chairman or the his Deputy . The meetings of the Committee shall be valid only if attended by a majority of its members including the Chairman or his Deputy.

The Deputy Chairman may head the committee meetings on behalf of the Chairman in cases of Chairman's absence or other cause preventing him from Chairing the meeting.

The decisions of the Committee shall be issued by an absolute majority of the members present, in cases of a tie, the Chairman's side shall prevail.

The Committee shall have the right to seek the support of experienced resources without including them for votes.

Article (11):

The Tenders committee is entirely accountable before the Chairman and the Board for all of the works it is exercising.

Article (12):

A Purchase Committee shall be formed comprising minimum (5) members of the Authority employees. Their names shall be announced by a Chairman's decision & the decision shall specify the Committee Chairman, Deputy Chairman & Secretary.

The committee shall process contracts that are less than (1,000,000) one million OMR, & the provisions prescribed in this regulation applied on Tender Committee shall apply to the Purchase Committee.

Chapter 3

Contracting Preliminary Procedures

Article (13):

The concerned Division shall determine appropriate time for submitting contracting requests together with the required data and documents, in order to get the required supplies or services at the appropriate time, considering the following:

1. Tender notice advertisement period in newspapers shall be (5) days minimum & (15) days maximum.
2. Technical study, analysis and response period shall be (15) days maximum from the date of referring bids, unless contract nature requires longer period.

Article (14):

The concerned Division shall submit a request to Tenders Division specifying estimated cost, terms of reference, and technical specifications and it shall have the right to seek the assistance of experts in preparing terms of reference and the technical specifications.

Chapter 4:

Public Tender

Article (15):

Contracting shall be through a public tender if the contract value exceeds (250, 000) OMR.

Article (16):

Tender Notice advertisement shall be published in one daily local Arabic and English language newspaper or more well in time for the date set for bids submission. It may also be publicized through any specific electronic means & shall mention the following:

1. The Authority address in clear fonts.
2. The last date for tender submission, and opening date.
3. Type of the contract required.
4. Bids submission mechanism.
5. Cost of tender invitation documents.

Any other data requested by the concerned Division.

Article (17):

The bids shall be submitted within the time specified in the Tender Notice, and in no circumstance shall a delay, for whatsoever reason, in bid submission be accepted after this time.

Article (18):

The bidder shall abide by all of tenders submission terms and prescribed considerations as provided in the terms sheet including the following:

- 1- All bids shall be submitted in a sealed envelope, with the tender name, tender number and to be addressed to the Authority .
- 2- The above mentioned print shall be clear, with no scratching, alteration or addition.
- 3- Amounts shall be written in numbers & letters.
- 4- The bid shall have the name, address of the bidder and shall be stamped, signed & enclosed with sample signature issued by MOCI.
- 5- A valid commercial register certificate & a valid enrollment certificate in the Oman Chamber of Commerce & Industry shall be enclosed.
- 6- A Bid Bond for adequate execution shall be provided if the tender is awarded to one of the bidders.
- 7- A proof of the company financial competence and its ability to perform its obligations shall be provided.
- 8- Any Authority employee with connection to the bidder shall be declared.

Article (19):

A bid for the supply of items to the Authority shall be conforming with the standard specimen, specifications or approved drawings which the bidder must view. His submission of the bid shall be construed as an acknowledgement of his awareness thereof.

Article (20):

Technical and commercial proposals shall be submitted in one envelope, unless it is necessary to submit the technical, commercial proposals in separate envelopes as per the nature of each tender.

Article (21):

Bids may be submitted, opened, referred, ratified & results may be announced through electronic means as per the applicable procedures approved by the Board.

Article (22):

The Tender Committee shall open bid envelopes on the day specified in the presence of the Committee members. The Secretary shall register the bids in the opening minutes, recording the number of bids, the names of bidders and the total value. The minutes shall be signed by Committee members. The Committee may assign two of its members at least to open the bids.

Article (23):

If the Tender Committee finds that a bid is extraordinarily below the other bids submitted, it shall be entitled to ascertain from the bidder the extent to which the latter has satisfied the conditions of the tender and his ability to execute the contract.

Article (24):

Evaluation shall be made between the bids for the selection of the best bid in accordance with the criteria and grounds specified in the tender documents. The Committee may award the tender to the proper bid if it ascertains that the lowest bid is not consistent with the Authority best interest. The decision rational should be given.

If the committee decides to exclude one or more bids, such decision shall be justified.

Article (25):

Tenders may be cancelled by a justified decision from the Committee after

their publication and before a final decision on them is made if they are discarded totally or if the Authority interest warrants so.

The Tender Committee may cancel the tenders at the recommendation of the concerned Division in any of the following cases:

1. If a single bid is submitted or only one bid remains after the rejection of other bids.
2. If all or most of the bids are accompanied by essential qualifications.
3. If the value of the lowest bid exceeds the market value.
4. If the bids submitted are incomplete or have more than one meaning or contradicts tender documents terms.

The Tender Committee may cancel the tender after awarding decision is issued and before signing the contract if the Authority interest so warrants, or at the recommendation of the concerned Division explaining cancelation justification.

Article (26):

A single bid may be accepted with the approval of the Tender Committee if the bid meets the terms, and the work status do not warrant re-floating the tender.

Article (27):

The Tender Committee shall make awarding decisions on the tenders and shall notify the concerned body in case of acceptance before the expiry of the period specified for the validity of the bids.

In the case that the Tenders Committee fails to do so shall request bidders to extend the validity of their bids for a specific period without increasing the costs.

Article (28):

Preference in bids shall be given to national products that meet the conditions and specifications.

The preference shall include priority in prices in the range of 10% increase.

Article (29):

The Tenders Committee may accept/concur variation orders increasing or decreasing the period, value, type, quantity or specifications of the items, works or services covered by the contract within the validity period of the contract up to 10% of the value of the original accepted bid by the Authority provided the prices of the variation orders are the ones agreed upon in the Contract.

Variation orders value may be excluded – if inevitable - from the limits prescribed in this article & the prices agreed upon in the contract with the Board acceptance/concurrence.

Chapter 5:

Limited Tender

Article (30):

A contract may be concluded through a limited tender in cases the nature thereof requires limiting the participation in the tender to shortlisted suppliers, contractors or consultants within or outside the Sultanate who meet the required conditions.

Article (31):

Invitation to limited tenders shall be extended to suppliers, contractors or consultants specialized in the field of the tendered activity whose names are registered in the bidders register, technically and financially qualified for

participation in the limited tender, meeting good reputation terms provided that they shall not be less than 3 companies or establishments. Invitation for the participation in the limited tender shall be through registered letters or electronic means. The limited tender shall be governed by all procedures and rules applicable to public tenders.

Article (32):

The Tender Committee may recommend switching the limited tender to engagement if it sees that is beneficial for the Authority to achieve better terms for the contracts.

**Chapter 6:
Engagement**

Article (33):

The Tender Committee shall contract through Engagement by negotiation in order to secure the best bids at the lowest prices in any of the following situations:

1. Items which manufacture or import thereof is monopolized or whose nature or the purpose of whose obtainment entails that they should be purchased from the places of their production or those which are available only through an exclusive producer.
2. Articles for which are not describable with exact specifications.
3. Technical and consultancy works or services that require specific technical know-how or specific specialization.
4. Supplies and contracts of works for which tender procedure may not be followed on account of urgency.
5. Execution of works or provision of services by concerned bodies outside the Sultanate.
6. Purchase and leasing of real estate.

**Chapter 7:
Direct Assignment**

Article (34):

The Authority may enter into a contract through direct assignment if the contractor is selected from the best bids submitted provided that prices shall be suitable. Justified selection rationale are mandatorily given.

The Authority may enter into contracts, through direct assignment, provided that the value of the assignment does not exceed (250,000) OMR in accordance to the procedures issued by Chairman decision.

**Chapter 8;
Competition**

Article (35):

Competition is a special method for contracting for the purpose of conducting studies, preparing designs, drawings, models or other technical works required for a specific project.

Article (36):

The Authority shall specify the objectives, framework and specifications of the project in detail. The prizes, remunerations or compensations to be granted

to the winners, as well as the status of the ownership of the winning and non-winning reports, studies, designs, drawings and models and any other conditions the Authority deems fit.

Article (37):

Invitation for participation in the competition shall be extended either through advertising in the printed or electronic media or through direct invitation to those possessing expertise and skills essential for the project or the purpose of the competition.

Article (38):

The Chairman shall form a special committee to study the bids submitted, and submit its report thereof to the Chairman for approval. The committee may summon the participants and discuss their bids with them.

Article (39):

The provisions of this Bylaw shall not apply to Chapter 9 hereof.

Chapter 9:

Bonds

Article (40):

A Bid Bond of no less than (1%) of the total value of the bid shall be submitted with each bid.

If the bidder withdraws his bid before the expiry of the period specified for the validity of the bid, the bid bond submitted by him shall become the property of the Authority without the need for a notice or any other measure.

The Bid Bond shall be returned to the unsuccessful bidders immediately upon the issuance of contract award decision to a bidder. The bid bond of the awarded bidder shall be returned if he submits the Performance Bond.

Article (41):

The awarded bidder shall, within fifteen working days from the day following the day on which he is notified of the acceptance of his bid, submit a Performance Bond equivalent to 5% of the total Contract Value. In respect of the contracts concluded with a contractor abroad, the bond shall be submitted within thirty working days & he must establish an office in the Sultanate.

A Performance Bond shall remain valid till completion of the contract or the end of warranty period whichever comes later, unless otherwise is agreed upon.

Article (42):

If the winning bidder does not submit a Performance Bond within the period stipulated in article 41 hereof, the Tender Committee may, by a written notice, cancel the award and confiscate the Bid Bond without prejudice to the Authority's right to compensation.

Article (43):

The bidder of the accepted bid shall be exempted from the Performance Bond if he supplies the contracted items and the Authority accepts them finally within the period specified for submitting the performance bond.



The Services Fees provided by the Special Economic Zone Authority in Duqm





Decision Number (8 / 2016) Setting The Services fees provided by the Special Economic Zone Authority in Duqm

Pursuant to Royal Decree Number 119/2011 establishing the Special Economic Zone Authority in Duqm and issuing its Regulation;
The Regulation of the Special Economic Zone Authority in Duqm issued by Royal Decree Number 79/2013;
The approval of the Board of Directors of the Special Economic Zone Authority in Duqm;
The approval of the Ministry of Finance;
And in pursuance of the public interest.

We decided as follows:

Article (1):

Determined shall be the services provided shall be determined by the Special Economic Zone Authority at Duqm in accordance with the enclosed schedule. As for the issues not provided for in this Decision, SEZAD shall receive for the services it provides the same charges collected by the concerned authorities stipulated in the relevant laws and systems and the relevant regulations issued pursuant to them.

Article (2):

SEZAD shall impose an administrative fine of ten percent (10%) of the charge value for failure to pay the due charge for each month of delay, calculated after one (1) month from the date on which the charge becomes due rounding the part of the month to one full month and the part of Omani Rial to one Omani Rial.

Article (3):

All that contradicts this with Decision or contravenes with its provisions.

Article (4):

This Decision shall be Published in the Official Gazette and shall be effective from 1 March 2016.

Issued on: 28 Rabi Akher 1437 AH
CT: 7 February 2016

Yahiya bin Said Al-Jabri
Chairman of the Board of Directors

Schedule of Charges of Services fees provided by the Special Economic Zone Authority in Duqm

First: Fees for Registration in the Commercial Register

Sr.	Service	Fees in OMR	Due
1	Project registration in the commercial register	one thousand (1000)	Upon registration for the first time
2	Renewal of project registration in the commercial register	one thousand (1000)	Every five (5) years, or upon renewal of the main office if the project is a branch
3	Registration of land usufruct contracts	One percent (1%) of the agreed usufruct consideration	Upon registration of contract
4	Registration of mortgage contracts	One percent (1%) of credit facilities	Upon registration of mortgage
5	Release of mortgage	one hundred (100)	Upon release of mortgage
6	Application for land usufruct	two hundred fifty (250)	Upon submission of application
7	Registration of amendments of commercial register:		
	A- Modification of brand name	ten (10)	Upon registration of amendment
	B- Adding a new business	ten (10)	
	C- Amendment of headquarters	twenty (20)	
	D- Modification of partners' names	twenty (20)	
	E- Amendment of partners' shares	twenty (20)	
	F- Modification of legal form	fifty (50)	
	G- Merger of two or more companies	fifty (50)	
	H- Amendment of capital	fifty (50)	
	I- Changing the names of authorized signatories	twenty (20)	
	J- Modification of other data	twenty (20)	
	K- Amendment of contact information	free of charge	
8	Issuance of a data certificate (Extract from the commercial register)	ten (10)	Upon issuance of each certificate

Second: Fees for licensing exercise of economic activities

Sr.	Service	Fee in OMR	Due
	First: license of industrial activity	one thousand five hundred (1500)	Upon issuing the license annually
	Second: license of tourism activity		
1	Establishment, exploitation, utilization, management, modification or transfer of hotel facilities or tourist license:		
	A- (5) Five-Star Hotel	three thousand (3000)	
	B- (4) Four-Star Hotel	two thousand five hundred (2500)	
	C- (3) Three-Star Hotel	two thousand (2000)	
	D- (2) Two-Star Hotel	one thousand eight hundred (1800)	
	E- (1) One-Star Hotel	one thousand five hundred (1500)	
	F- Deluxe hotel apartments	two thousand seven hundred fifty (2750)	
	G- Excellent hotel apartments	one thousand seven hundred fifty (1750)	
	H- Ordinary hotel apartments	one thousand (1000)	
	I- Deluxe tourist camps	one thousand five hundred (1500)	
	J- Ordinary tourist camps	one thousand (1000)	
	K- Tourist rest houses	one thousand (1000)	
	L- Tourist restaurant (independent)	five hundred (500)	
2	Temporary facilities	five hundred (500)	
3	Utilization or management of hotel and tourism time-sharing facilities	two thousand (2000)	
4	Dealing with companies to market or exchange time-sharing weeks	two thousand (2000)	
5	Travel, aviation and tourism offices	one thousand (1000)	
6	Tourist transport activities	one thousand (1000)	
7	Organizing watersports	one thousand (1000)	
8	Organizing entertainment and arts shops and centers	one thousand (1000)	
9	Tourist guide offices	five hundred (500)	
10	Charges of tourist services	four percent (4%) of the value of sales or services	Paid each month in arrears

Sr.	Service	Fee in OMR	Due
10	Charges of tourist services	four percent (4%) of the value of sales or services	Paid each month in arrears
Third: charges of mining licenses			
1	Mineral prospection	one thousand eight hundred fifty (1850) in addition to an annual rent of OMR (1) per square meter	Upon issuing the license annually (every year)
2	Mineral exploration	one thousand eight hundred fifty (1850) in addition to an annual rent of OMR (1) per square meter	
3	Mining	one thousand eight hundred fifty (1850) in addition to an annual rent of OMR (1) per square meter	
4	Livelihood mining	one thousand eight hundred fifty (1850) in addition to an annual rent of OMR (1) per square meter	
5	Royalty	ten percent (10%) of the value of sales	Paid each month in arrears
6	Issuing sample export certificate for the purposes of scientific research	five (5)	Upon issuing the certificate
7	Issuing sample export certificate for the purposes of study for holders of exploration/ prospection licenses	one (1)	Upon issuing the certificate
8	Assignment of exploration/ mining license or mining concession	one hundred (100)	Upon registration of assignment
9	Application for expansion of mining license area	one hundred (100)	Upon approval of expansion
10	Amending data in the mining register	fifty (50)	Upon registration of amendment
Fourth: other economic activities			
1	Sale and distribution of alcoholic beverages	five thousand (5000)	Upon issuing the license annually
2	Offering shisha	five thousand (5000)	
3	Sale and distribution of tobacco and smoke	five thousand (5000)	
4	Other activities	five hundred (500) per each homogenous activity	
Fifth: the renewal of license		Same charge for license of practicing the activity	Upon renewal annually

Third: Environmental permits fees

Sr.	Service	Fee in OMR			Due
		First Tier	Second Tier	Third Tier	
1	Issuing environmental permit	fifty (50)	one hundred (100)	two hundred (200)	Upon issuing the final permit
2	Renewal of environmental permit	fifty (50)	one hundred (100)	two hundred (200)	Upon renewal of permit
3	Review of EIA or environmental audit report				Upon submission of study or report

SEZAD shall specify the nature of economic activities that fall under each tier, including temporary projects, infrastructure projects and their complementary projects.

Fourth: Fee for urban planning and building licenses

Sr.	Service	Fee in OMR	Due on
1	Excavation permit	fifty (50)	Upon issuing permit
2	Issuing a survey layout (krooki) of the land	fifty (50)	Upon issuing layout
3	Issuing construction permit	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon issuing permit
4	Renewal of construction permit	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon annual renewal
5	Permit of temporary labor camp	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon issuing permit
6	Construction completion certificate	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon annual certificate
7	Delivery of site markings	ten (10) per each marking (point)	Upon submitting the marking delivery application
8	Adoption of detailed survey report	fifty (50) for the project whose construction area does not exceed (1000) thousand square meters in addition to (10) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon adoption of report
9	Adoption of general organization layout	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon adoption of layout
10	Adoption of detailed layouts	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon adoption of layout
11	Amendment of layouts	one hundred (100) for the project whose construction area does not exceed (1000) thousand square meters in addition to (25) Baisas per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon adoption of amendment
12	Receipt of urban planning proof at SEZD (digital)	twenty-five (25) per version	Upon delivery of proof
13	Getting an additional version of maps	twenty (20) per version	Upon provision of map

Fifth: Fees related to food security

Sr.	Service	Fee in OMR	Due on
1	Issuing certificate fir damaging food-stuffs for commercial establishments	twenty-five (25)	Upon issuing certificate
2	Issuing permits for refrigerators for refreshments and commercial hot drinks devices in public places (excluding site rent and electricity expenses)	one hundred thirty-five (135)	Upon issuing and renewal of permit
3	Issuing health license for vehicles for transferring water or selling food or marketing of fish (with the exception of drinking water transport vehicles owned by Omanis)	fifty (50)	Upon issuing and renewal of license
4	Issuing a health card for vendors and shop workers	ten (10)	Upon issuing and renewal of card

Sixth: Fees of other services

Sr.	Service	Fee in OMR	Due on
1	General services for guests of hotels and international and touristic restaurants	five percent (5%) of the value of sales or services	Paid each month in arrears
2	General services for frequenters of entertainment centers and cinemas	ten percent (10%) of the ticket value	Paid each month in arrears
3	Permit to install billboards, advertisements and guiding signs on shops, vehicles, posters and printed materials	fifty (50)	Upon registration and annual renewal of permit
4	Permit to install billboards and advertisements on roofs, facades and at streets	one hundred (100) up to (30) square meters and two hundred fifty (250) for more than that	Upon registration and annual renewal of permit
5	Registration of leases	three percent (3%) of the annual contract value	Upon registration and annual renewal of contract

Sr.	Service	Fee in OMR	Due on
6	Reservation of public parking lots	fifty (50)	Monthly per parking lot starting from the date of approval of reservation
7	Permits of meter parking lots	ten (10)	Monthly per parking lot starting from the date of permit
8	License of building name	two hundred (200)	Upon application
9	Changing the board of commercial shop	ten (10)	Upon application
10	Issuing To Whom it May Concern	ten (10)	Upon issuing certificate
11	Issuing a replacement certificate/ document for all documents issued by SEZAD	twenty-five (25)	Upon issuing certificate or document
12	Ratification of the General Meetings minutes and amendment the of the Articles of Association of joint stock companies	ten (10)	Upon ratification of each version
13	Obtainment of true copies of documents, records and minutes filed with SEZAD	five (5)	Upon receipt of each version
14	Ratification of the Articles of Association and Articles of Incorporation of the joint stock companies for the first time	fifty (50)	Upon ratification
15	Authentication of commercial contracts	point one of thousand (0,001) of the contract value at a minimum of (20) and a maximum of (100)	Upon authentication



The Customs Management System in the Special Economic Zone at Duqm





Decision Number (9/2016) The Customs Management System issuing in the Special Economic Zone at Duqm

Pursuant to the Royal Decree Number (119/2011) establishing the Special Economic Zone Authority in Duqm and issuing its system;

The Royal Decree Number (79/2013) issuing the System of the Special Economic Zone in Duqm;

The Common Customs Law of the Gulf Cooperation Council (GCC) and the Royal Decree Number (67/2003) on its application;

The approval of the Board of Directors of the Special Economic Zone Authority in Duqm at its third meeting on October 11, 2015;

And in pursuance of the public interest;

It is decided

Article (1):

The enclosed Customs Management System shall apply in the Special Economic Zone in Duqm.

Article (2):

The Chairman of Board of Directors of the Special Economic Zone Authority at Duqm shall issue the necessary decisions to implement the provisions of this System.

Article (3):

All that is contrary to this decision and the attached Bylaw is hereby repealed.

Article (4):

This Decision shall be Published in the Official Gazette and shall take effect from the day following the date of publication.

Issued on: Date: 29 Rabi' Al-Akher 1437 AH
CT: 8 February 2016

Yahiya bin Said Al-Jabri
Chairman of the Board of Directors



The Customs Management System in The Special Economic Zone at Duqm

Chapter One Definitions and General Provisions

Article (1):

In the implementation of this System, the following words and expressions shall have the meaning ascribed to each of them unless otherwise implied by the context:

Law: The Common Customs Law of the Gulf Cooperation Council (GCC) which has been applied pursuant to Royal Decree (67/2003).

Authority: The Special Economic Zone Authority in Duqm.

Zone: The Special Economic Zone located in Wilayat Al Duqm for establishing economic, service and other projects whose boundaries and location are set in the layout enclosed with the Royal Decree Number (119/2011), as amended by Royal Decree Number (44/2014).

Board: The Board of Directors of the Authority.

Chairman: The Chairman of the Board.

Projects: The Projects that are licensed for should by the same in Royal Decree 119/2011 establishment in the Zone whether they take the status of a sole proprietorship or a company or a branch of a company or a foreign establishment, as well as the professions and handicraft activities licensed to be conducted in the Zone.

Goods: Machinery, equipment, tools, devices, materials, products, spare parts, fuel and other types of goods used, distributed or produced, in whole or in part, or consumed by the project for any purpose.

Customs Territory: Anywhere within the boundaries of the Sultanate with the exception of the free zones or special economic zones.

Customs Department: The department in charge of the area determined by the Inspector General of Police and Customs in the Zone where the finalization of all or some customs procedures are authorized.

Customs Warehouse: The place or building in which the goods are deposited under the supervision of the Customs Department in a state where it's pending customs taxes.

Customs Declaration: The statement of the goods or acknowledgment submitted by the importer or his representative, identifying the distinctive features of those declared goods and quantity thereof in detail.

Duty Free: The licensed place wherein goods pending customs taxes are placed for display and sale.

Article (2):

The provisions of this System shall apply to goods that enter or exit the Zone. The matters not covered specifically in this Bylaw or in Royal Decrees 119/2011 and 79/2013 referred to and the decisions issued for their implementation shall be subject to the provisions of the Law.

The same standards and procedures laid down in the Law and the Bylaws issued to implement it shall apply in respect of:

- Conducting customs inspections quickly and effectively.
- Clarity and transparency of the valuation criteria.

- Simplicity and brevity of customs clearance procedures without prejudice to their efficiency.
- Comprehensive and precise examination of samples controlled at a single site.

Article (3):

With the exception of goods containing alcohol, intoxicants, beer and tobacco products imported into the Zone, the following goods shall be exempted from customs duty, provided that they fulfil the standards and conditions set forth in this Bylaw:

- Goods imported by the projects registered in the Authority's commercial register from within and outside the Sultanate to the Zone.
- Goods exported by the projects registered in the Authority's commercial register from the Zone to outside the Sultanate.

Article (4):

The Projects not registered in the Authority's commercial register shall not benefit from the customs exemption listed in Article (3). The import of their goods into the Zone and exporting them shall be in accordance with the rules and provisions stipulated by the Law.

Article (5):

The Projects that import exempted goods in accordance with the provisions of this Bylaw shall be committed to the following:

- Storage of goods in accordance with the conditions and regulations set forth in this Bylaw.
- Not to dispose of goods in a way other than the purposes they were imported for as stated in the customs declarations that the projects submitted.
- Commitment to the license conditions of the economic activity they engage in.

Chapter Two

Entry, Exit and Disposal of Goods in the Zone

Article (6):

Importing the following Goods into Zone shall be prohibited:

- Goods originating from a country that the Sultanate has decided to economically boycott.
- Narcotics and their derivatives, with the exception of what is required for the manufacture of drugs and pharmaceuticals as determined by the Ministry of Health.
- Firearms, ammunition and explosives, with the exception of hunting weapons and their ammunition, and fireworks licensed in accordance with the regulations issued by the competent authorities.
- Radioactive materials, with the exception of materials allowed for industrial, medical or scientific research purposes, in accordance with the rules specified by the competent authorities.
- Waste materials.
- Goods whose importation is banned for violating the laws and regulations relating to the protection of intellectual, commercial, industrial, literary and artistic property as stated in decisions issued by the competent authorities.

- Rotten, expired, or harmful foodstuff to the health or environment.
- Any goods whose importation into the Sultanate is prohibited.

Article (7):

A justified decision by the Chairman may prohibit or impose certain conditions on the importation of certain goods into the Zone.

Article (8):

Without prejudice to the provisions of Articles (6) and (7) of this Bylaw, the projects registered in the Authority's commercial register may import goods required for the practice of performing an authorized activity in the Zone, and get them out of the Zone without prior permission or authorization.

Article (9):

It is permissible for projects licensed to carry on the activity of general trade in the Zone may sell exempted goods to the projects registered in the Authority's commercial register to use them in the practice of their licensed economic activity in the Zone. They shall inform the Customs Department of the same.

Article (10):

Projects licensed to perform duty free trading activities in the Zone may sell the exempted goods to the following categories:

- Zone visitors and residents at non-commercial quantities for personal use.
- Crews of airplanes and ships visiting the relevant facilities in the Zone.

This shall be according to the controls established by a decision the Chairman shall issue after the approval of the Board.

Chapter Three Customs warehouses

Article (11):

The customs warehouses in the Zone are divided into the following:

- 1- Public customs warehouses: where the goods are stored for the benefit of others. The project licensed to engage in the activity of public warehouses shall replace the owners of goods deposited in all their obligations before the Customs Department.
- 2- Private customs warehouses: where projects store their goods for use in their licensed activities.

Article (12):

The storage of exempted goods in other than the customs warehouses licensed for the projects registered in the Authority's commercial register shall be prohibited.

Article (13):

The requirements to obtain a license to engage in the activity of public customs warehouses in the Zone shall be as follows:

- The Project's capital is not less than one million (1,000,000) OMR.
- The area of the warehouse and facilities needed for its operation is not less than of twenty thousand (20,000) square meters.
- The warehouse shall have a fence and main entrances, including the port, airport, and logistics villages.

- The warehouse shall be equipped to suitably store the authorized goods.
- Fulfillment of security and safety conditions and requirements.
- Providing appropriate yards equipped with necessary services to complete the customs procedures.
- Allocating suitable yards for parking and equipment to load/ unload goods.
- Providing furnished offices equipped with the appropriate means of communication to the staff of the Customs Department.
- Not to amend or change the warehouse or its area without obtaining the approval of SEZAD and the Customs Department.
- Providing a bank guarantee of at least One Hundred Thousand (100,000) OMR to pay customs duties when necessary.
- Providing an insurance policy on the warehouse and the goods stored that covers all risks.
- Payment of the prescribed fees.
- Controlling the entrances to public warehouses through a Bylaw agreed between the Customs Department and the owner of the warehouse.

Article (14):

The following activities may be conducted within the public customs warehouse in the Zone:

- Unwrapping the goods and transferring them to another container.
- Collecting or dividing parcels.
- Any other activity for keeping, improving or facilitating the marketing of the goods.

In all cases, changing the country of origin shall be prohibited. These activities shall be under the supervision of the Customs Department.

Article (15):

The following requirements for issuing the license to engage in the activity of customs warehouses in Zone shall be fulfilled:

- The Project capital is not less than OMR 200,000.
- The area of the warehouse is not less than of five thousand (5,000) square meters.
- To be within the licensed site of the project.
- To be equipped to store the authorized goods.
- Fulfillment of security and safety conditions and requirements.
- Providing a bank guarantee of at least OMR fifty thousand (50,000) for the payment of customs duties when necessary.
- Submitting a written undertaking not to dispose of the goods stored in other than the authorized purposes.
- Payment of the prescribed fees.

Article (16):

The activity of private customs warehouse shall be limited to storage of goods and no amendments shall be thereto, with the exception of the necessary work required to protect the goods from damage.

Article (17):

Goods cannot be imported to the public or private customs warehouse except under an import statement in accordance with the terms and conditions prescribed in the law.

Article (18):

The duration of the storage of goods in the warehouse allocated for construction materials shall expire upon the completion of construction work and the issuance of the completion of construction certificate by the Authority.

Article (19):

Without prejudice to the provisions of Article (18) of this Bylaw, goods stored in public or private customs warehouses shall not be subject to any restrictions related to the duration of their presence therein.

Article (20):

It is impermissible to remove the goods from public customs warehouses before determining their customs status in accordance with the provisions of the law.

Article (21):

It is impermissible to remove the goods from private customs warehouses except for use in the licensed activity for the project.

Article (22):

Without prejudice to the provisions of law, goods may be transported within the Zone from a public customs warehouse to another public or private customs warehouse provided that a detailed statement of such goods is submitted and an undertaking to not dispose of them except in accordance with the provisions of this Bylaw along with customs guarantees and undertakings.

In this case, the goods shall be subject to transit customs in accordance with the provisions of the law.

The stakeholders shall provide an import certificate to the customs warehouse or Department to which the goods were transported.

Article (23):

The licensee shall engage in the activity of warehouses according to the conditions and customs procedures governing customs warehouses.

Article (24):

Invalid or expired goods shall be destroyed at the place specified by the Authority, under the supervision of the Customs Department and the competent authorities whenever the type of goods so requires.

Chapter Four
Liability Rules

Article (25):

The projects licensed to engage in public or private customs warehouses activity in the Zone shall be responsible for the duty-free goods stored in their warehouses until they are out of the Zone or dispose of them in accordance with the provisions of this Bylaw.

They shall also be responsible for duty-free goods lost or damaged during storage or transport from the warehouse. In this case, the goods shall be subject to the provisions on illegal goods stipulated in the law.

Article (26):

The projects licensed to engage in public or private customs warehouses activity in the Zone shall be responsible for the acts of their subsidiaries within the Zone.

Chapter Five Final Provisions

Article (27):

Without prejudice to the provisions of Articles (31 and 32) of this System, goods transported from Zone to the customs territory shall be treated as foreign goods, even if they include local raw materials or components.

Article (28):

Goods manufactured or assembled within Zone shall be treated as goods of domestic origin when exported outside the Sultanate.

Article (29):

It is impermissible to remove the exempted goods from the Zone before the completion of all the procedures set forth in this System and the payment of relevant financial dues.

Article (30):

The projects shall consider the following issues when transporting exempted goods from the Zone to the customs territory, or offering them for domestic consumption within Zone:

- Preparing a customs declaration for these goods and depositing it with the Customs Department.
- Payment of due customs taxes according to the law.

Article (31):

The provisions of transit customs stipulated in the law shall apply to exempted goods in the following cases:

- When exported from the Zone to outside the Sultanate through the customs territory.
- When imported from outside the Sultanate to the Zone through the customs territory.
- When transported from the Zone into another economic free zone or other area within the Sultanate.

Article (32):

Goods whose customs duties have been paid may be transported between the Zone and the customs territory, and vice versa without any restrictions. In this case, goods are not considered exported or re-exported.

Article (33):

Travelers from the Zone to the customs territory shall be subject to the relevant provisions prescribed for travelers and stipulated in the law on the goods.





Section III

Regulatory

Decisions



Decision Number (90/2014) Determining the Omanization Percentages at the Projects established at the Special Economic Zone at Duqm

Based on Royal Decree Number 119/2011 establishing the Special Economic Zone Authority at Duqm and issuing the Articles of Association thereof;

Royal Decree Number 79/2013 issuing the Articles of Association of the Special Economic Zone at Duqm;

Decision of the Board of Directors of the Special Economic Zone Authority at Duqm Number 14/2014 in its second session held on 13 April 2014.

It has been decided:

Article (1):

There shall be a 10% Omanization percentage imposed on the Project at the Special Economic Zone in Duqm.

Article (2):

This percentage shall be reviewed every three years effective from the date of issue of this decision.

Article (3):

The concerned bodies, each within the field of its jurisdiction, shall enforce this decision.

Issued on: Date: 6 ZilHaja 1435 hijri
Corresponding to: 30 September 2014

Yahya bin Said Al Jabri
Chairman of the Board of Directors



Decision Number (30/ 2016) On Enhancing the Contribution of Small and Medium-Sized Enterprises in the Projects of the Special Economic Zone in Duqm

Pursuant to Royal Decree Number 119/2011 establishing Special Economic Zone Authority in Duqm and issuing its system;
Royal Decree Number 79/2013 issuing the System of the Special Economic Zone in Duqm;
Decisions of the seminar on Development of Small and Medium-sized Enterprises held in Seih Al-Shamikhat from 21 to 23 January 2013;
Decision Number 87/2014 of the Special Economic Zone Authority in Duqm on enhancing the contribution of small and medium-sized enterprises in projects in the Special Economic Zone in Duqm;
And in pursuance of the public interest;

We decided

Article (1):

The Special Economic Zone Authority in Duqm (SEZAD), government wholly owned companies, and government projects operating within the Special Economic Zone in Duqm (SEZD) shall allocate at least 10% of the total purchases and tenders for small and medium-sized enterprises (SMEs).

Article (2):

The tender documentation for large projects floated by SEZAD and government wholly owned companies should include the following:
“The executing company shall allocate at least 10% of the tender for SMEs, with priority given to SMEs registered in Al-Wusta Governorate.”

Article (3):

A special register shall be created at SEZAD for the registration of SMEs.

Article (4):

The SMEs shall have the entrepreneurs card issued by SMEPA for the development of SMEs to benefit from the prescribed percentage in Article (3) above.

Article (5):

Works assigned to SMEs shall be part of the tender documents. Annex (1) and can be used the quality of business and purchases that can be assigned to SMEs.

Article (6):

The executing company shall announce the works and purchases available, which SMEs can implement for each project in a manner characterized with

openness, transparency, equality of opportunity, and freedom of competition. The competent department at SEZAD shall make sure of the announcement of the opportunities available for each project.

Article (7):

Upon bidding analysis, the criterion for allocating works to SMEs shall be considered as one of the criteria that used at the stage of evaluating the bids. The higher than 10% the participation of SMEs, the score of the bidding company shall increase.

Article (8):

The executing company shall provide the competent department at SEZAD with a detailed statement illustrating the works and purchases carried out by SMEs in the project every three (3) months by filling in the table in Annex (2).

Article (9):

The Contracts and Tenders Department shall follow up and review the contribution of 10% in the government purchases and tenders assigned to SMEs.

Article (10):

Decision Number 87/2014 shall be repealed.

Article (11):

The concerned officials shall implement this Decision in their respective fields as of the date of its issuance.

Issued on: 11 Jumada Thani 1437 AH

Corresponding to 21 March 2016

Yahiya bin Said Al-Jabri
Chairman of the Board of Directors

Small and Medium-Sized Enterprises – Annex

Sr.	Activity	Works	
1	Preparations at project site	<ul style="list-style-type: none"> - Supply and installation of mobile caravans - Supply and installation of electrical and electronic devices - Provision of stationery - Excavation, backfill, and settlement - Water supply - Provision of nutrition and accommodation - Provision of health services - Provision of safety and firefighting tools - Provision of laboratory - Demolition and backfilling of buildings - Electricity and plumbing works - Sewage works 	
2	Providing engineering and professional services	<ul style="list-style-type: none"> - Design and supervision of SMEs - Consulting in various fields - Surveying lands and property 	
3	Provision of expatriate labour (recruiters)	<ul style="list-style-type: none"> - Providing specialized expatriate labour - Providing unspecialized expatriate labour 	
4	Provision of machinery and equipment	<ul style="list-style-type: none"> - Cars / buses - Material and water transfer materials - Paving Equipment 	
5	Electrical works	<ul style="list-style-type: none"> - Connecting and converting power lines and cables - Supply and installation of lampposts 	
6	Traffic safety	<ul style="list-style-type: none"> - Manufacturing, installation and maintenance of traffic signs - Road painting - Supply and installation of traffic lights - Material transport equipment to and from the sites 	
7	Civil and construction works	<ul style="list-style-type: none"> - Earthworks: <ul style="list-style-type: none"> • demolition, backfilling, and levelling • mountain cutting and explosions - Concrete works: <ul style="list-style-type: none"> • Ready Mixed Concrete • Manufacturing and installation of bridges and light poles - Structural minor works - Internal water pipes and high-density polyethylene cutting and fittings - Connecting sewage from the houses to the network (secondary networks) - Delivery of water from distribution networks to homes (secondary networks) - Construction of building annexures - Plaster works and decoration 	<ul style="list-style-type: none"> Road side protection works: <ul style="list-style-type: none"> • gravel protections • construction of water channels • rock stabilization • construction of side channels • construction of housing units • cutting and maintenance of sand roads • building maintenance • interlock and kerbstone • water insulation • cutting and installation of reinforced iron • paint • umbrellas and parking • tiling • aluminium • carpentr

Sr.	Activity	Works	
8	Services	<ul style="list-style-type: none"> - Cleaning - Maintenance of air conditioning - Gardening - Nutrition and accommodation services - Cars and equipment maintenance - Printing 	<ul style="list-style-type: none"> - Support of computer systems (maintenance of website / database) - Translation services - Maintenance of pitches - Event planning & Services
9	Supplies	<ul style="list-style-type: none"> - Computers and its accessories - Stationery and office materials - Miscellaneous foodstuff - Supply of auto vehicles and heavy equipment - Logistics and delivery of materials - Pesticides - Painting and polishing materials - Supply of chemicals and detergents - Supply and installation of kitchens and bathrooms - Supply agricultural equipment and materials - Supply of building materials and ready-made concrete - Supply of electricity and lighting materials - Supply of security and safety uniforms - Supply of scaffolding - Supply and installation of site offices and housing - Supply of backfill - Supply of cement - Supply of sand - Supply of Interlock - Supply of gravel - Supply of water pipes - Supply of electricity cables - Supply of telecommunications cables - Supply of bricks - Supply of materials for tiling floors and walls - Supply of sanitary ware and kitchens - Water supply - Supply and installation of gate automatic opening devices with all the connections - Supply and installation of signboards on roads - Supply of fire alarms and accessories - Supply of fishing gear - Supply of fishing boats and operating machines 	<ul style="list-style-type: none"> - Supply and installation of automatic gates - Supply and installation of carpets - Supply and installation of marble and granite for flooring and interior walls - Supply of prayer timers - Providing information materials (platform, folded plates, reception platform, email, etc.) - Rent of sound system - Furnishing halls - Rental of screens - Providing snacks for nutrition and subsistence - Purchase and supply of computers and accessories - Purchase, supply and installation of phone system switchboard with devices - Supply and distribution of hand mechanical cultivators with rotary machines and high-pressure pesticides spraying machines and their accessories - Supply of fertilizers and chemicals - Supply of bio and environmentally friendly pesticides - Supply of goods wagons - Supplying audio systems - Supply of video systems - Supply of field kits - Supply of covers - Supply of colleges needs - Purchase insect killing devices - Purchase of office furniture - Provision of indoor and outdoor building guiding plates - Organizing entertainment events - Supply of artefact materials