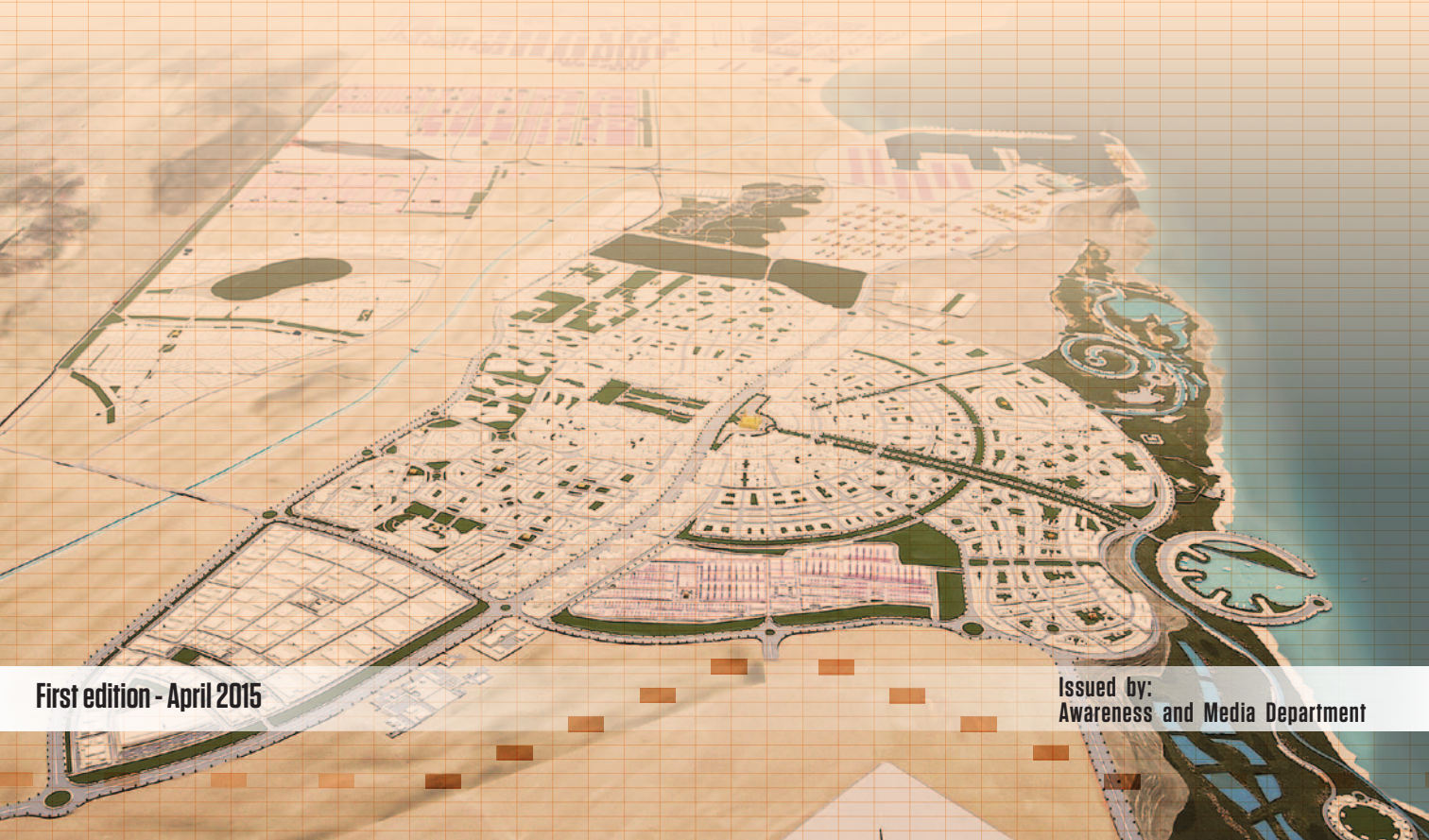


# Investment in Duqm



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**HM Sultan Qaboos Bin Saeed**







# Welcome to Duqm

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

Praise be to God, who created the wise leadership of Oman, which fixed forward-looking insight and led our march towards national development for the good and the elevation of the country and citizens across the country.

The Special Economic Zone in Duqm (SEZD) is one of Al Wusta Governorate Willayats in the Sultanate of Oman. The establishment of SEZD was an essential step in contributing to the achievement of the Sultanate's economic diversification vision. It is a key national and strategic project aiming to achieve healthy and sustainable macroeconomic growth rates, as well as to diversify the sources of national income. By the creation of SEZD, the government intends to reduce the country's dependence on crude oil and gas as well as encourage an eco-friendly environment. Additionally, it strives to increase the private sector's contribution to Gross Domestic Product (GDP) helping to boost the nation's economy and its development, as well as providing more job opportunities for citizens. The development of Al Wusta governorate is part of the Sultanate's endeavors to achieve a balanced growth among various governorates.

Based on these objectives, SEZD has aimed to provide a conducive investment environment in the Zone, in terms of investment regulating legislations, benefits, incentives and facilities provided to investors. Such efforts have contributed in diversifying local and foreign investments in the Zone

# Special Economic Zone Duqm

SEZAD stretches over an area of 1745 square kilometers with a coastline length of 70 km overlooking the Arabian Sea, making it suitable for housing and developing mega projects in various economic sectors. Due to the vast area, a master plan has been approved for the current development over an estimated area of 800 Sq Km while keeping the remaining space for future expansions.

Furthermore, SEZD is located in the midst of the Omani coastline facing the Indian Ocean, which is a strategic location as it is near global shipping lines connecting Southeast Asia to the east coast of the African continent. Moreover, its location is near the rich supply of crude oil in the Gulf States region, natural raw materials, and the abundance of fish stocks in this part



of the coast of Oman, and the natural beauty and geological heritage in the region.

Additionally, SEZD's location positions it to be a logistical supply gateway for GCC states and an important milestone in achieving GCC economic integration, especially after launching the GCC train, which will connect various GCC cities and ports. The zone is also in a proximity





of major consumer markets in Asia.

According to the Master Plan, SEZD is subdivided into multiple areas including: Duqm Port and dry dock, refining, heavy industry,

petrochemicals area, fishing port and fish industries complex, Duqm airport, logistics services area, tourism area, light and medium manufacturing, commercial, educational services, health care, and residential areas.

This diversity makes the zone keep pace with investors' ambitions and expectations through its unique combination of industrial, commercial, tourist and social projects. As a result, it is a perfect model for an integrated economic hub that offers a variety of services sought by residents, not just an area swarming with heavy industries



# Special Economic Zone A



The Special Economic Zone Authority in Duqm (SEZAD), established by the Royal Decree No. 119/2011 issued on October 26, 2011. SEZAD is a governmental body with juristic personality, financial and administrative independence following the council of the ministries.

SEZAD aims to oversee the implementation of all projects in Duqm and the region for contributing to the overall economic and social development.

SEZAD is granted usufruct rights to use state-owned lands in the zone. It is also authorized to establish and be a shareholder in companies with the aim of developing the region and its main sectors.

Furthermore, SEZAD is excluded from submitting to the Tenders law in order to accelerate projects and put the analysis of tender procedures in preparation for its assignment.

Additionally, SEZAD is responsible for establishing and running a one-stop shop system. It is also awarded some of the powers enjoyed by some ministries inside SEZAD.





# Authority Duqm (SEZAD)

SEZAD's work is regulated by three Royal Decrees:

1) Royal Decree No. 119/2011 for the establishment of the Special Economic Zone in Duqm, issuing its regulation on 26 October 2011.

2) Royal Decree No. 79/2013 on issuing the regulation of the Special Economic Zone in Duqm, issued on December 26, 2013.

3) Royal Decree No. 44/2014, which lifts the label of «public utility» status for some of the maps located on the map of SEZAD, issued on August 19, 2014.

Since inception, SEZAD has enacted legislation and procedures that provide a favorable atmosphere to attract local and foreign investments. It has also conducted a number of seminars and promotions inside and outside the Sultanate aiming to introduce SEZ at Duqm to potential investors on the one hand and attracting investments on the other hand. In 2013 and 2014, SEZAD signed many usufruct and development agreements, which aims to allow local and foreign companies and investors to establish projects required by the region in various sectors.



# Jurisdictions and powers of the Authority inside the Zone

The Royal Decree No 79/2013 issuing the system of SEZ Duqm provided the Authority with a number of jurisdictions and powers summarized as follows:

1. Jurisdictions of the Secretariat General of the Commercial Registration with relation to implementing the Commercial Registration Law with relation to registering projects.

2. Jurisdictions of the Ministry of Commerce and Industry in relation to implementing the GCC Standard Industrial Regularization with relation to registration at the Industrial registration, granting licenses for the industrial projects.

3. Jurisdictions of the Public Authority for Mining in implementing the Mining Law.

4. Jurisdictions for implementing the laws related to protecting the environment, combatting pollution, protecting sources of drinking water, and the jurisdiction of the Ministry of Environment and Climate Affairs with relation to issuing environmental permits for projects.

5. Jurisdictions of the Ministry of Tourism in implementing the Tourism Law with relation to issuing the licenses for the tourism projects.

6. Jurisdictions of the respective authority in implementing the Food Safety Law.

Jurisdictions of the Ministry of Manpower in implementing the Labor Law, defining fees for expatriate recruitment and Omanization rates at different projects

## Benefits of investment in Duqm

There are a range of incentives and benefits to investors. Among these incentives are:

1. Unique geographic location over the Arabian Sea and the Indian Ocean, making it close to the markets in Asia.
2. A Large area (1,745 square km).
3. The diversity of investment opportunities (industrial, commercial, tourism, real estate development and logistic sectors).
4. All services are processed through the one-stop shop, which is the gateway to investment in Duqm.
5. The Political stability of the Sultanate and its good relations with various countries of the world.



# Investment opportunities

There are numerous investment opportunities in the region. As the master plan affirms, there are investment opportunities in different zones in the region such as heavy industries, tourism, fisheries, transport, business, logistic services, and SMEs. Additionally, suitable land plots are allocated for each type of investment.

**There are many investment opportunities such as:**

1. Oil Refining, tanking and petrochemical industries.
2. Light and medium industries.
3. Logistics and transportation sector.
4. Tourism projects, hotels, and resorts.
5. Health services (hospitals and polyclinics).
6. Private universities, colleges and institutes.
7. Malls and shopping centers.
8. Sports facilities.
9. Mining.
10. Fish processing.
11. Real estate development.



6. Tax and non-tax incentives.
7. Easy access to the local, Gulf and world markets through Duqm Port, the railway project, Duqm project and the high quality road network that connects the Sultanate's governorates with the rest of the GCC countries.
8. Having a labor office that processes all the licenses required for expatriate recruitment within five days at maximum from the date of submitting the application.
9. Having a Custom Department that completes the inspection work quickly and efficiently. Samples are also tested at the same location thus saving time and effort of importers.



# Exemptions and incentives

SEZAD provides a number of benefits, incentives, and exemptions for economic projects. Among these are:

1. 30-year exemption of renewable income tax, from the date of starting the business. This exemption does apply to banks, financial institutions, insurance companies, reinsurance companies and entities providing telecommunication and land transport services.
2. Imported and exported goods exempted from custom duties.
3. Up to fifty-year land usufruct agreement, renewable as per the rules specified by SEZAD.
4. 100% foreign ownership.
5. No minimal capital requirements.
6. The exemption from any limitation on trade, and transfer of foreign currencies including a free transfer of capitals and profits.





7. The exemption of the Commercial Agencies Law.
8. Allowing projects to have a commercial representation office outside the Zone as long as they are registered as per the laws in force.
9. Freedom to import all kinds of goods except the legally banned exports or those, which require prior approval, or those classified as explosives or chemical products. To import such

products, investors should abide by the laws and regulations in force.

10. The finished or assembled products in the area are treated as locally produced products.

The one stop-shop provides all necessary services for the projects including all registration and licensing services, the visas and resident cards for foreigners and others



# The One-Stop Shop

**The one stop shop provides investors with the following services:**

1. Providing data and information required by investors as well as advice on available investment opportunities and procedures.
2. The commercial registration services including the search for a suitable trade name, reserving trade names, registering projects, the commercial registration activities and updating the data constantly.
3. Issuing land usufruct agreement and registering them.
4. Specify the location of the land plots using GPS and issuing Krooki (Land Contract) and hand over landmarks.
5. Issuing of licenses for the practice of activities in the region including the industrial licenses, tourism, and mining.
6. Issuing municipal licenses and other services such as the municipality and registering the lease contracts.
7. Issuing the initial and final environmental permits.
8. Issuing construction permits.
9. Preparing technical reports for the projects and issuing approvals.

As for the services, which are not within its jurisdiction, SEZAD seeks to provide all services required by projects in the Zone through the one-stop shop by maintaining coordination with the different stakeholders.

**The services include:**

1. Application for OCCI membership certificate.
2. Application to recruit expatriates (processed by the Ministry of Manpower).
3. Applications to obtain visas and resident cards (issued by the Royal Oman Police).
4. Application for electricity – The Rural Areas Electricity Company.
5. Application for water service – The Public Authority for Electricity and Water.
6. Application for gas service by Ministry of Oil and Gas and Oman Gas Company.
7. Application for telecommunication services.
8. Applications to register Omani citizens with the Public Authority for Social Insurance.
9. Applications to obtain professional licenses from the respective authorities.

# SMEs



SEZAD welcomes Small and Medium Sized Enterprises (SMEs). In 2014, SEZAD signed a Memorandum of Understanding (MoU) with the Public Authority for Small and Medium Enterprises. Under the MoU, the two parties will coordinate in allocating industrial and commercial land plots to SME owners for investment under the usufruct contracting method.

Under the MoU, the Public Authority for the Development of SMEs will study the applications submitted by SME owners wishing to establish their businesses in SEZ at Duqm.

After conducting a feasibility study by the General Authority for the Development of SMEs, the General Authority for the Development of SMEs shall refer the applications to SEZAD. SEZAD will

then study the application and allocate a suitable location for such projects, in accordance with the applicable procedures and regulations.

SEZAD issued in 2014 Resolution No. 87/2014 on enhancing SMEs' contribution towards SEZAD's projects. The resolution specified, «SEZAD and state-owned companies working in SEZ at Duqm shall allocate not less than 10% of the total purchases and tenders to SMEs. Additionally, the resolution stated that «Tender documents of mega projects submitted by SEZAD and state-owned companies shall include the following: The executing company shall allocate not less than 10% of the tender value for SMEs while giving priority to SMEs whose businesses are registered in Al Wusta Governorate».



# Starting your project in SEZAD

To make it easier for investors, we are offering five simple steps leading to setting up investment projects in SEZ at Duqm. The area is well prepared to house various projects, be it commercial, industrial or tourism projects, as well as other projects in various sectors.

## **Step 1: Knowing the region and investment atmosphere**

Understanding the region and its geographical location, its investment opportunities, exemptions and benefits received by investors, and legislations regulating investment work is the first step that an investor should take to assess the economic feasibility of his project in a way that suits investment objectives.

Furthermore, the investor should be aware of the legislations regulating investments in SEZ at Duqm. In particular, Royal Decree No. 119/2011 on establishing the Special Economic Zone in Duqm, and Royal Decree No. 79/2013 on issuing the regulations of the Special Economic Zone in Duqm. In addition to legislations regulating the sector where he wishes to make an investment, like the tourism law, mining law, and the Unified Law of Industrial Organization, and regulations issued pursuant to these laws.

Most of these legislations and regulations are available on SEZAD's website: [www.duqm.gov.om](http://www.duqm.gov.om)

## **Step 2: Describing and specifying needs of investment project**

The investor shall prepare a description



of the proposed investment project in order to assess its economic feasibility and have an idea of its needs. Such a description shall include at least the following information (according to the type of business activity), so that he can submit the project to SEZAD management, which will give him the necessary guidelines with regards to the appropriate opportunities available in SEZ at Duqm:

1. A description of the nature and objectives of the project, its components, as well as the economic activities and economic value it is expected to deliver to the country.
2. The size of investment in the project and sources of funding.
3. A brief profile of the founders and their expertise in the proposed investment.
4. The required land space and how to use it, the expected construction area and the facilities associated with the project.





5. The project timetable, which includes the expected date for launching the project, implementation period and the date of starting commercial operation.
6. The human resources needed by the project during the construction period and after the commercial operation and number of Omani and expatriate staff.
7. Details of the raw materials required for the project and details of sources to obtain them.
8. Clarifying production services and operations and providing a list of the expected products or services, production rates and periods of operation.
9. Means and transporting, handling, and storing raw materials, chemical materials and fuel and the product.
10. The target market of the products or services of the project, and exporting and marketing methods.
11. Stating the expected environmental impacts of the project on people,

buildings, artificial structures, plants, birds, land, water and air and how to address and mitigate such impacts.

12. Estimating the project's electricity consumption (kWh / month), and water consumption (cubic meter / month), and gas (cubic meter / month).
13. Stating the waste resulting from the project and expected quantities such as: sewage (cubic meter / month), industrial waste (ton/month), liquid waste (cubic meter / month), solid waste (ton/month) and stating how to handle this waste and final discharge method.
14. Stating the expected economic, technical and administrative risk resulting from the project and the procedures laid out to handle and mitigate such risks.

### **The third step: Defining the suitable legal status of the project**

The following types of projects can be registered in the Zone:

1. Individual Properties IP.
2. Commercial companies, such as:
  - Joint liability
  - Partnership
  - Limited liability
  - Joint stock (closed or general)
3. Branch for an individual Properties IP or local commercial company whose head office is located outside the Zone

### The fourth step: Verification of the necessary documents as per the legal constitution of the project

S.	Documents	Individual firm	Company	Branch of institution or local firm	Branch of international company
1	A proof of trade name registration for the project through support offices or one stop shop offices.	√	√		√
2	A copy of ID cards from the project owner, collaborates, founders and authorized signatories.	√	√		√
3	Bank certificate of capital if it exceeds OMR 20,000.	√	√		√
4	Sample of the signatures of the authorized signatories as per the appendix contained in the investment application form.	√	√		√
5	A description of the project and its needs (as per the appendix contained in the investment application form).	√	√	√	√
6	The contract of incorporation according to the form of SEZAD or the form laid out by the company, signed by shareholders or founders. The signatures shall be in the same form as in the civil ID and articles of association of joint stock companies.		√		
7	If one of the partners has legal entity (corporate), partners meeting minute of this corporate must be enclosed, that the minute shall describe the above mentioned partner share value and specify the person signing on his behalf in the incorporation contract of the company to be registered.		√		
8	If a foreign partner has legal entity (foreign corporate registered abroad), he shall enclose a copy of his company incorporation certificate OR company certified articles of association, & registration proof from the registering country translated into Arabic.		√		
9	A certified copy of the Articles of association of the company with its main office translated into Arabic.				√
10	A certified letter stating the main office assumes responsibility for the work carried out by the branch in the Sultanate, translated into Arabic.				√
11	A Certificate proving that the company is registered in the home country certified by the foreign country's regulatory authority, translated into Arabic.				√
12	A power of attorney certified by the main office for the branch manager / managers, to carry out the management works in the Sultanate, translated into Arabic.				√
13	Agreement concluded between the company and the government entity it contracted with, along with a letter from the government entity stating the contract number and starting and expiry dates.				√
14	An official letter from the owner of the institution or company in which he requests registering the branch and activities in the Zone.			√	
15	Minutes of the shareholders' meeting that includes adding the branch and activities (to the company).			√	
16	The amended contract of incorporation and articles of association (of the company).			√	
17	A copy of the official documents and licenses issued by the concerned competent authorities.			√	
18	If the applicant holds an Oman residence visa, he shall enclose a non-objection letter from his current sponsor to establish the project in the region.	√	√		

## **The fifth step**

A copy of the investment application can be found on our website ([www.duqm.gov.om](http://www.duqm.gov.om)), and you can email us at [registration@duqm.com](mailto:registration@duqm.com) for any further inquiries.

SEZAD's future plan includes allowing registration through the website electronically.

The applicant or his agent may submit the application to the one stop shop in Muscat or Duqm along with all supporting documents. The application should be signed by the authorized signatories as an acknowledgment that the information provided are true and correct

## **Important facts to be considered by investors**

- 1- Registered projects shall not commence practicing any of the registered activities before obtaining all of the final license requirements imposed by SEZAD, in addition to obtaining, work commencement license certificate to exercise the activities, which shall be issued by SEZAD within 15 working days of completion date of the requirements set forth in the initial approval, some activities require other parties & bodies approval hereby the conditions set forth in the law organizing Investment Environment Climate.
- 2- The applicant interested in obtaining a license to provide consultancy or professional services should provide his CV together with the professional experiences. The same will be transferred to the respective authorities to issue the license.
- 3- The business should be initiated at the Zone within a year from the date of registration at the Commercial Registration



# الدقم Duqm

هيئة المنطقة الاقتصادية الخاصة  
Special Economic Zone Authority

Sultanate of Oman

سلطنة عُمان



## One-Stop Shop

Your Gate to Investment at Duqm

One-stop Shop is the department concerned with registering investors and issuing required different licenses, permits and approvals. One-stop Shop provides the following services:

Preparing usufruct and development agreements

Commercial, industrial, tourism and environmental registration

Municipal license and construction

Completing rent contracts and regulating the relation between the owners of the property and the tenants

All types of visa-related services

Preparing technical reports and issuing approvals

manpower permits



### Special Economic Zone Authority at Duqm

Phone: +968 24507500  
Fax: +968 24587400

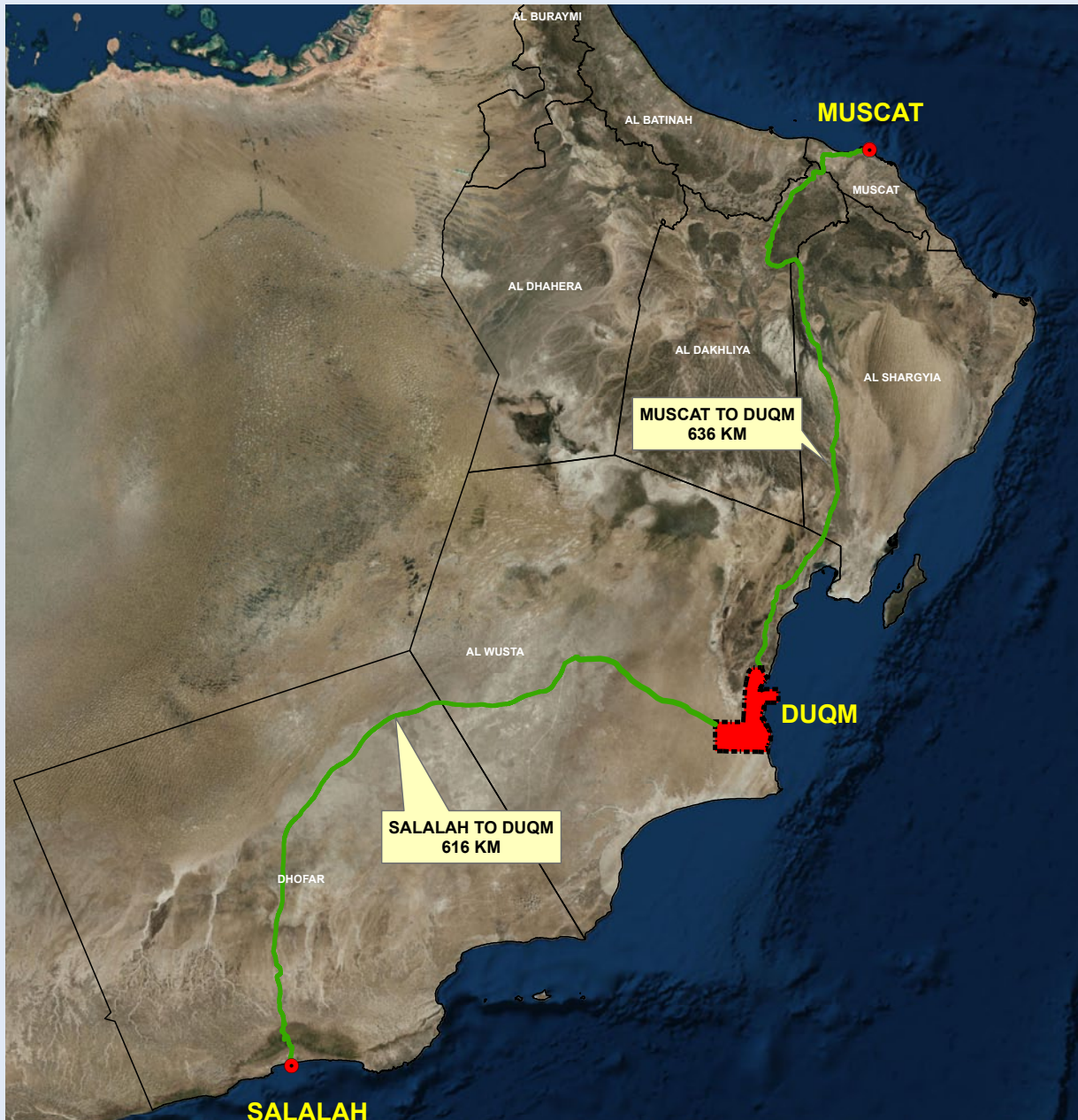
P.O. Box 24, Postal Code 105, Bareeq Al Shatti

Email: [info@duqm.com](mailto:info@duqm.com)  
Website: [www.duqm.gov.om](http://www.duqm.gov.om)



# How to get to Duqm

Duqm is about 550 km from Muscat, the capital. Oman Air operates four flights weekly to Duqm on the following days (Sunday, Monday, Wednesday, and Thursday). You can make a booking through Al Madina Travel Agency or Oman International Airport. Another option is to travel by car; the route starts from Muscat – Sinaw – Mahout and finally ends in Duqm. Many transport companies operate air-conditioned buses to Duqm



## Contacts:

### One Stop Shop – Muscat:

24507583-24507556-24507500

### One Stop Shop – Duqm:

25217709-25217710-25217713

Duqm Hospital: 25415276

### Duqm Hotels

There are several hotels and rest houses located in Duqm:

#### 1. Crown Plaza:

99366816-25214444

#### 2. Park Inn Hotel Duqm:

94455632 – 22085700

#### 3. Al Madina Hotel:

92138286 - 25214900

### Air Tickets & Car Rentals

#### Al Madina Travel Agency:

98048369-25427089

### Land Transport

#### Happy Line:

24798470

#### Al Nimr Express:

98007885-97822205 -97822166

### Shipping Services

#### Khimji Shipping LLC

99419622-98902384-98080584

\*To call from outside the Sultanate, insert the dialing code 00968.







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