

الدقم Duqm

هيئة المنطقة الاقتصادية الخاصة
Special Economic Zone Authority

Sultanate of Oman

سلطنة عُمان



INVESTMENT IN DUQM

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ISSUED BY MEDIA & AWARENESS DEPARTMENT
SPECIAL ECONOMIC ZONE AUTHORITY AT DUQM



His Majesty Sultan Qaboos bin Said

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WELCOME TO DUQM

The Special Economic Zone at Duqm (SEZD) enjoys many advantages, making it among the most prominent investment destinations at the regional and international levels. The prime geographical location of the Zone on a sea open to the Indian Ocean and close to the global shipping lines has attracted the attention of many companies worldwide that regard Duqm a perfect place for their investments.

Since established in October 2011, the Special Economic Zone Authority at Duqm (SEZAD) strived to provide the appropriate environment for investments to thrive in the Zone. Thus, it has been modernizing the corpus of legislations to keep pace with investors' expectations and aspirations. In this regard, SEZAD provides investors with an integrated package of incentives and facilities, notably tax exemptions and granting of usufruct rights for up to 99 years. All licenses required by investors are issued through the one-stop shop at both branches in Muscat and Duqm.

The Special Economic Zone at Duqm (SEZD) is also characterized by its ability to embrace projects, in not only industrial sector, but others in tourism, trade, logistics and real estate development too. Additionally, its spacious land of 2,000 square kilometers is capable to provide the areas needed by investors to build their projects.

In light of this interest in SEZD, we are pleased to present the Fourth Issue of the "Investment in Duqm" Handbook to introduce the business community to the investment opportunities and incentives provided by SEZAD. We look forward to welcoming investors from all over the world and stress on our keenness to facilitate investment procedures to them.



Yahya bin Said bin Abdullah Al Jabri
Chairman

SPECIAL ECONOMIC ZONE AT DUQM (SEZD)

The Special Economic Zone at Duqm was established on 26 October 2011 to attract a wide range of economic activities such as refineries, petrochemicals, commercial, tourism, logistics, light and medium industries, fish industries and real estate development projects.

Stretching over 2,000 square kilometers, SEZD meets the demands of potential investors who are looking for large areas to establish their investment projects. This allows developers, who wish to carry out a variety of projects on more than 50 hectares of land, to set up their projects with additional benefits given.

Special Economic Zone at Duqm is located on the Arabian Sea, overlooking the Indian Ocean. Its prime location has gained a strategic advantage being on the international shipping lines between East and West and near consumer markets in Asia and Africa.

The SEZD enjoys a set of comparative and competitive advantages that qualify it to become a regional hub for maritime transport and a logistics supply gateway for the GCC region. Other features of SEZD include an enormous fishery wealth and proximity to the oil and gas production areas. Al Wusta Governorate has also many minerals that can be invested in the establishment of industrial projects. Therefore, this qualifies SEZD to become an integrated platform for industries that rely on natural raw materials available in the Governorate. Moreover, the construction of the refinery and the establishment of the heavy and petrochemical industries projects are a key for attracting other medium and small projects.

To render SEZD further attractive, the Special Economic Zone Authority at Duqm (SEZAD) backs these features with a package of incentives, privileges, and facilities.

المخطط الرئيسي للمنطقة الاقتصادية الخاصة بالدمق Master Plan of Special Economic Zone at Duqm



ADVANTAGES OF INVESTING IN SEZD

Geographical location on the Arabian Sea, which is open to the Indian Ocean and close to the consumer markets in Asia and Africa.

Spacious area of up to (2000) square kilometers.

Different fields of investment: industrial, commercial, tourist, residential, and logistics.

Providing various services for investors through the one-stop shop, which is the investment portal in Duqm.

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Political stability of the Sultanate and its outstanding commercial and political relations with different countries around the world.

Tax benefits and incentives provided by SEZAD to investors.

Easy connection between SEZD and the local, regional and international markets, whether through Port of Duqm, Duqm Airport or road network.

Having Manpower Department in SEZD to ensure quick issue of necessary permits for foreign manpower within five business days.

Having Customs Management System in SEZD to ensure quick and effective customs inspection, clear and open valuation grounds, simplicity and brevity of customs clearance procedures, and comprehensive and precise examination of controlled samples at one place.

SPECIAL ECONOMIC ZONE AUTHORITY AT DUQM (SEZAD)

The Special Economic Zone Authority at Duqm (SEZAD) was established as per the provision of the Royal Decree No 2011/119 issued on 26th October 2011. SEZAD is a government entity reporting to the Council of Ministers and has a legal personality and enjoys financial and administrative autonomy. It oversees the implementation of Duqm Development Project and manages, develops, and improves SEZD to be a tributary for comprehensive economic and social development in Oman.

SEZAD has the right to decide the usufruct of State-owned lands in SEZD and to establish and contribute to businesses to develop SEZD or manage or develop its basic sectors. Moreover, SEZAD is not subject to the Tender Law in order to expedite the tendering and awarding procedures. SEZAD has also the powers of some ministries within SEZD boundaries.

The Royal Decree (2011/119) establishing SEZAD and issuing its regulation, dated on 26 October 2011, and Royal Decree (2013/79) issuing SEZAD regulation, dated on 26 December 2013, and the regulations issued in accordance with these two decrees are the main source of regulation of SEZAD operation and its investment approach in SEZD.

SEZAD has worked since its inception to form legislations and procedures that provide an investment platform to attract and encourage local and foreign investments.



SEZAD POWERS WITHIN SEZD

The Special Economic Zone Authority at Duqm has been granted many powers and responsibilities, which include:

- Powers of the Secretariat General of the Commercial Registration to implement the Commercial Registration Law when registering new projects.
- Powers of the Minister of Manpower to implement the Manpower Law of determining the recruitment fees of foreign labors and Omanisation percentage in the projects.
- Powers of the concerned authority responsible for the implementation of Food Safety Law.
- Powers of the Ministry of Tourism to implement the Tourism Law of issuing the necessary permits for tourism projects.
- Implementation of the laws related to environmental protection, pollution control, and protection of drinking water resources, and the powers of the Ministry of Environment and Climate Affairs to issue environmental permits for projects.
- Powers of the Public Authority for Mining to implement the Mining Law and issue mining licenses.
- Powers of the Ministry of Commerce and Industry to implement the GCC Industrial Standards Law when registering in the industrial register and granting licenses for industrial projects.
- Powers of the Authority for Electricity Regulatory included in the law for regulation and privatization of electricity and related water sector, issued by the Royal Decree No. 2004/78, within the economic zone under SEZAD management.

INVESTMENT OPPORTUNITIES

SEZAD has prepared a comprehensive plan for SEZD to accommodate a variety of investment opportunities based on the needs and requirements of the investors. SEZAD has also provided a suitable land for the different types of investment opportunities

Refineries, oil storage and refining, and petrochemical industries

Heavy, medium and light industries

Transport and logistics

Tourism and construction of hotels and resorts

Providing health and therapeutic services and construction of hospitals and health centers

Establishment of private schools, training institutes and colleges

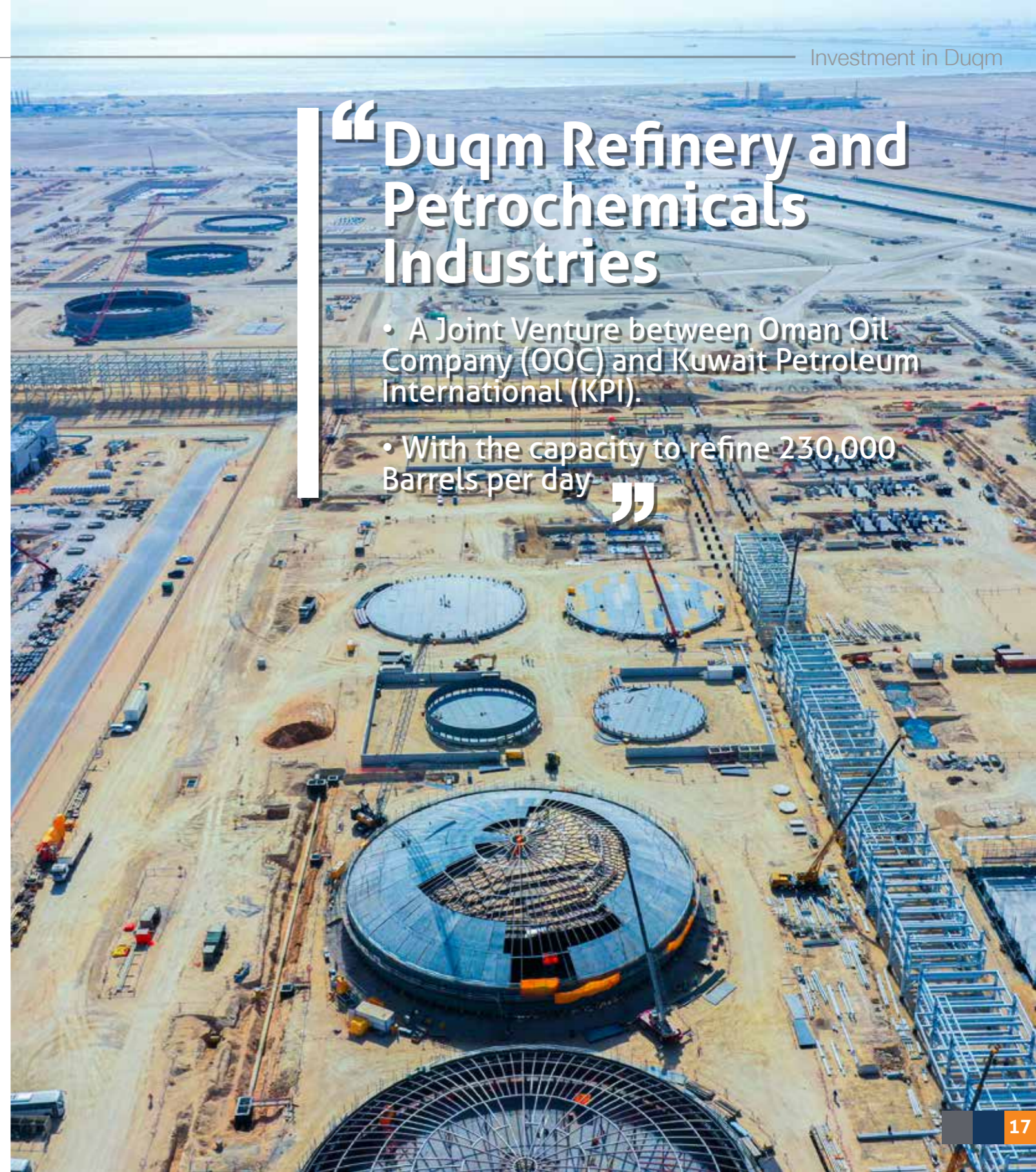
Real estate development

Fishing industries

Mining

Establishment of sports facilities

Establishment of markets and malls



“Duqm Refinery and Petrochemicals Industries”

- A Joint Venture between Oman Oil Company (OOC) and Kuwait Petroleum International (KPI).
- With the capacity to refine 230,000 Barrels per day

EXEMPTIONS AND INCENTIVES

1

Exemption from income tax for up to 30 renewable years from the date of starting the business.

2

Exemption from customs tax on goods imported from outside the Sultanate to SEZD and goods exported from it abroad.

3

Usufruct right of State land in SEZD for up to 99 years, renewable for similar period according to the rules determined by SEZAD.

4

Project capital can be fully owned by non-Omanis as an exception from the Commercial Companies Law and Foreign Capital Investment Law.

5

Exemption from the minimum requirement for capital invested in the project as specified in the Commercial Companies Law or any other law.

6

Exemption from any restrictions on procuring, trading, and exchanging of foreign currencies, including transfer of capital and profits outside SEZD.

7

Exemption from the implementation of the Commercial Agencies Law.

8

Allowing projects to open commercial representative offices outside SEZD subject to registration as per the applicable laws.

9

Allowing import of all types of goods permitted in the Sultanate without prior permission or authorization unless classified as explosive or chemical. In the latter case, import shall be subject to the relevant laws and regulations implemented in the Sultanate.

10

Facilitating all the necessary services for the projects through the one-stop shop, including registration, licenses, approvals and visas.

ONE-STOP SHOP

The one-stop shop provides the following services for the projects through its both branches in Duqm and Muscat.

- 1 Providing relevant details for investors on investment opportunities and procedures in SEZD.
- 2 Providing commercial registration services, which include registration of projects with its commercial activities and details in the commercial register, updating details on regular basis, and registering mortgage contracts on the usufruct and project's assets.
- 3 Issuing usufruct licenses for SEZD lands and registering usufruct contracts.
- 4 Locating the invested plot by GIS programs, issuing cadastral drawings (krookies), and delivering plot signs.
- 5 Issuing licenses for industrial, tourist, mining and other economic activities in SEZD.
- 6 Providing leases registration, building, refurbishment, and modification permits, drilling permits, construction completion certificates, permits for utilities connection (electricity, water, telephone etc), licenses, medical cards and others.
- 7 Reviewing Tax exemptions requests.
- 8 Providing services of classifying hotels and tourism projects.
- 9 Facilitating issue of environmental permits with the concerned authorities.
- 10 Preparing technical reports for projects and issuing approvals.



SMALL AND MEDIUM ENTERPRISES

SEZAD welcomes Small and Medium Sized Enterprises (SMEs) as legislations and decisions have been set to allow SMEs enhance their contribution to the projects being developed in the Zone.

SEZAD, government-owned companies, and government projects operating within SEZD shall allocate not less than %10 of total procurements and tenders to SMEs. Tenders for large projects floated by SEZAD and government-owned companies should include the following text: "The executing company shall allocate at least %10 of the tender price to SMEs registered in Al Wusta Governorate."

In order for the SMEs to get these facilities, they are required to meet the requirements specified by the Authority and must be registered in the SMEs register with SEZAD.

Reflecting on SEZAD's commitment towards supporting SMEs, it has reduced its service fees by %50 for SMEs, which are fully owned by Omanis and registered with the Public Authority for Small and Medium Enterprises Development (Riyada).



Industrial Zone

SEZAD has allocated an area of 177 square kilometers to localize industrial activities within several industrial zones including heavy, medium and light industries, renewable energy projects, railway and fishing industries.

HOW TO START YOUR PROJECT IN SEZD?

In order to make it easier for investors, there are five easy and simple steps to help investors set up their investment projects in SEZD.

Step 1

Learn about SEZD and its investment environment

Learning about SEZD, its geographical location, investment opportunities, exemptions, and benefits for investors, investment-regulating legislations mark the first step that an investor should take into consideration to evaluate the economic viability of his project so it meets the objectives of his investment.

It is important for an investor to review the legislations of investment in SEZD and in particular, the Royal Decree (2011/119) establishing SEZAD and issuing its regulations dated on 26 October 2011 and the Royal Decree (2013/79) issuing SEZAD regulations.

As well, any investor is urged to familiarize himself with the laws and regulations of investment in SEZD and the others related to the different sectors in which he wants to invest, including Tourism Law, Mining Law, Standard Industrial Law and other regulations issued in accordance with these laws.

Investors can review the legislations and regulations issued by SEZAD on its website: www.duqm.gov.om. They can also collect a copy of SEZAD Encyclopedia of Legislations from the One-Stop Shop or Media and Awareness Department.

2 Step

Describe your investment project and determine its requirements

Any investor should prepare a description of the proposed investment project so that he can assess its economic feasibility and find out necessary requirements. This step is highly important so that SEZAD team could evaluate the business proposal and guide the investor to the appropriate investment opportunity in SEZD.

The description shall include as minimum the following details: (Depending on the type of project)

- 1 Description of project's concept, objectives, and components.
- 2 Capital, size of investment, and sources of financing.
- 3 Required land area, purpose of use, expected construction area, and project facilities.
- 4 Project schedule, including the expected date and timeline of construction, and the start date for commercial operations.
- 5 Human resources required for the project during construction and after starting the commercial operations and the number of Omanis and expats.
- 6 Estimate for the project's requirements of services: electricity (kW/month), water (m³/month), and gas (m³/month).
- 7 Expected environmental impact of the project, if any, and potential waste, its expected quantities, and ways of treatment, such as sewage (m³/month).
- 8 Any other important details of the project that would help the investor to make a decision.

A Waterfront Tourist Area

- Spread along 18 km of coastline
- Total area of 26 km²
- Around 500 hotel rooms in Duqm



3 Step

Determine the appropriate legal form of your project

The project can be registered in SEZD as one of the following legal forms:

- 1 New sole proprietorship establishment.
- 2 New trading company, which can take any of the legal forms specified in the Commercial Companies Law and the new version updated in 2019 included the sole trader company.
- 3 Branch of a sole proprietorship establishment or local trading company based outside SEZD.
- 4 Branch of a sole proprietorship or an international trading company based outside Oman.

Step 4

Complete your application through the One-stop shop

To know more about the investment procedures in SEZD, you can look at appendix (1) in this handbook and details about the services provided by SEZAD are available in the appendix (2).



SEZAD shall advise the investor to register the project in SEZAD commercial register as a new establishment or company in order to facilitate the procedures of tax exemptions, recruiting expats and expedite other transactions. Registering the project as a new branch to an already established company will require a long process to prove the financial and administrative independence of the branch to the Secretariat General for Taxation.

In addition, the project that is taking the form of a joint stock company requires a decision from the Ministry of Commerce and Industry as per the provisions of the Commercial Companies Law, approval from the Capital Market Authority as per the provisions of the capital markets law and minutes of the Constituent Assembly Meeting. Therefore, the registration of this legal form may take longer time than other legal forms due to the abovementioned procedures.

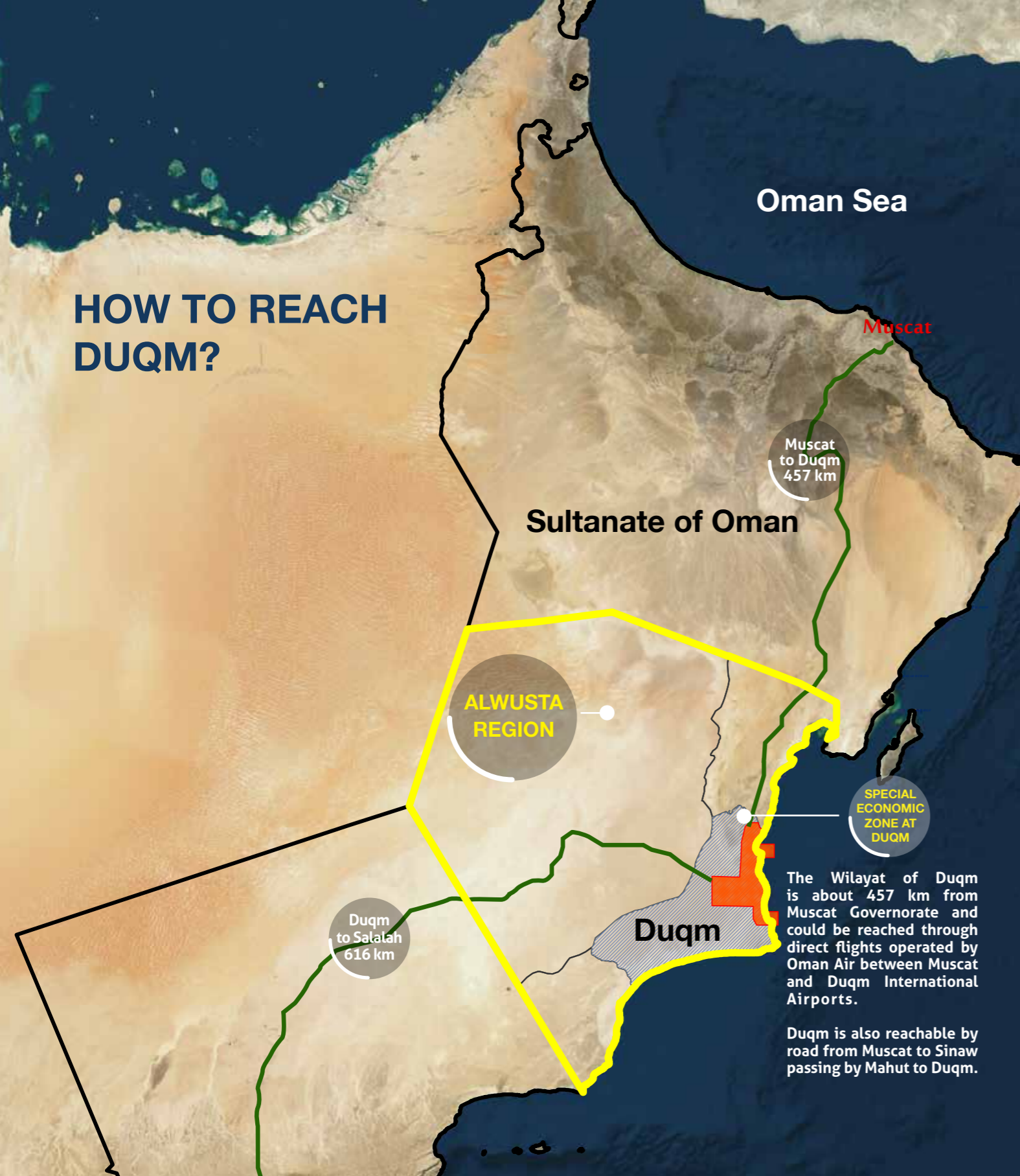


“SEBACIC OMAN REFINERY

- Refinery produces Sebacic acid (derived from castor oil).
- Commercial production started in February 2019.
- Product is used in many chemical, plastic and pharmaceutical industries.



HOW TO REACH DUQM?



IMPORTANT CONTACTS*

Hotels in Duqm

- There are several hotels and resorts in Duqm, including:
- Crown Plaza Hotel Duqm 25214444
 - Park Inn Duqm Hotel and Resort 22085700
 - Duqm City Hotel 25214900
 - Renaissance Village Duqm 23410200

One Stop-Shop at SEZAD

- **Contacts**
Duqm 25222222
Muscat 24507556 - 24507500 24507583
- **Commercial Registration Department:**
registration@duqm.gov.om
- **Contact numbers**
24507533 - 24507583 - 25507556

Health Centers

- Duqm Hospital 25415278
- KIMS Medical Complex 24760400
- StarCare Hospital 92315034
- Al Saeed Medical and Dental Center 23411040

Road transport:

- Oman National Transport Company "Mwasalat" 24121555 - 24121500 www.mwasalat.om
- Happy Line Company 24798471-24798470 -92887662
- Al Khanjari Transportation 24700600 www.alkhanjry.com

Marketing Team

For more information about SEZD, please contact Marketing Team at:

sezadinvest@duqm.gov.om
24173333

Car Rent

- North Wonders Company 92910752 - 99220332
- Global Travel & Logistics 91405659
- Al Rafaq Al Watania Car Rental Company 99117111

Flights

Oman Air operates direct flights between Muscat and Duqm International Airports. To inquire about flights timing and bookings, you can contact travel and tourism agents or Oman Air directly at:

- Contact**
- 24531111
 - www.omanair.com

* To call Oman landline or mobile phone from abroad, dial country code (968+), then the number.

ANNEX (1)

BASIC PROCEDURES FOR INVESTMENT IN DUQM

PROCEDURES FOR FIRST REGISTRATION IN SEZD COMMERCIAL REGISTER

The investor can register a project in SEZD commercial register through:

- 1 Direct e-registration via Invest Easy Portal on <https://www.business.gov.om>. This option is available only to Omanis and residents and requires completion of electronic certification procedures before starting to use the service. (Please refer to the abovementioned website for further details).
- 2 Filling in the application form and submitting the hardcopy to SEZAD one-stop shop in Duqm or Muscat.
- 3 Sanad offices.
- 4 Legal consulting offices accredited by the Ministry of Commerce and Industry.

DOCUMENTS REQUIRED TO REGISTER IN SEZD COMMERCIAL REGISTER

The following table includes the documents which investors should submit along with the investment application form according to the legal form of the project:

Required Documents	Sole Proprietorship	New Company	Branch of Establishment or Local Company	Branch of an International Company
• Copy of IDs of the owner, partners, founders or authorized signatories.	✓	✓		✓
• Signature specimen of the authorized as per SEZAD's template with a copy of their IDs.	✓	✓		✓
• Memorandum and articles of Association signed by the partners or founders with signatures matching the ones in the civil IDs. As for the joint stock companies, the Articles of Association shall be according to the model dedicated to the joint stock companies by concerned authorities (Articles of Association must be in Arabic)	✓	✓		
• If one of the partners in the company is a legal person: Minutes of the partners' meeting shall specify this partner's share and determine the person who represent this partner in signing the Memorandum of Association of the company.	✓	✓		
• If there is a foreign legal partner: Certified copy of the Memorandum and Articles of Association of the foreign legal partner and proof of registration in the foreign country, with Arabic translation.		✓		
• Certified copy of the Memorandum and Articles of Association of the international company in its headquarters country, with Arabic translation.				✓
• Certified letter confirming the responsibility of the company's headquarter for the work carried out by its branch in the Sultanate, with Arabic translation.				✓
• Approved certificate of registration of the company in its headquarter's country, with Arabic translation.				✓
• Certified delegation from the headquarter authorizing the branch manager(s) to carry out management works in the Sultanate, with Arabic translation.				✓
• Minutes of the partners meeting which include a request to register the branch and activities in SEZD. (For branches of companies)			✓	
• Amended Memorandum and Articles of Association (For companies).			✓	
• If the applicant holds a work visa in the Sultanate: No Objection Letter from the current sponsor to establish the project in SEZD.	✓	✓		

“Rock Garden

Is one of the unique geographical sites in Oman that shows amazing natural rock sculptures of various shapes and sizes made of limestone. The rocks have been carved thousands of years ago under the sea and then appeared on the surface due to the different geological factors of the Earth.

”



BASIC PROCEDURES FOR INVESTMENT IN DUQM

Licenses provided by SEZAD to investors:

1 LICENSING LAND USUFRUCT

The Regulation of State-Owned Land Usufruct in SEZD issued by Decision No. (327/2015) on July 2015, 13 governs issuing the usufruct license and its conditions and procedures.

According to the Regulation, the application must be processed within (30) days from its submission containing the required details and documents. Within (5) working days, the applicant shall be notified of the approval, so he pays the non-refundable fees of OMR 250 or rejection.

It is noteworthy that SEZAD provides this service via <https://www.duqm.gov.om> and communicates with investors online.

“

If three months have passed from the date of notifying the investor of the approval of land allocation without completing the prescribed procedures for signing the agreement, SEZAD shall withdraw the land allocated to the investor and consider the investment application canceled.

”

2 LICENSING ACTIVITY PRACTICE

A. Projects must comply with the following requirements for obtaining the license:

- The project must be registered in the Commercial Register of SEZD.
- Preparing and equipping the office or building of the project as per the type of business.
- Meeting the health requirements set by SEZAD.
- Meeting the requirements of environmental permits based on the type of the project's business.
- Meeting the requirements of the Public Authority for Civil Defense and Ambulance (PACDA).
- Obtaining approvals of other authorities, if the project requires that, such as education, health and fisheries.
- Preparing sample of the project's commercial board as per the technical specifications issued by SEZAD.

B. The application must be supported by the following documents:

- License of the Public Authority for Civil Defense and Ambulance.
- Approvals of other parties if required.
- Other relevant documents or details required by SEZAD.

C. Notes

1 The detailed requirements for licensing business practice vary according to the nature of the project in SEZD. Therefore, we advise investors to review the detailed requirements for practicing each business on Invest Easy Portal, <https://www.business.gov.om>, or email the Commercial Registration Department at: registration@duqm.gov.om.

2 Business of the project should start operating in SEZD within one year from the date of registration in SEZD Commercial Register. Otherwise, SEZAD may remove the business from the Commercial Register.

3 The project registered in the Commercial Register shall not start practicing the registered businesses before fulfilling the other final licensing requirements prescribed by SEZAD and obtaining a final license for starting the businesses issued by SEZAD within (15) working days from the date of completing all requirements stated

in the preliminary approval. It is noteworthy that some businesses require the approval of other entities as per the provisions included in the Regulation of Investment Environment.

D. General conditions

- 1** The license is valid for one year, renewable for a similar period or more.
- 2** Compliance with all legislations and regulations during the license period.
- 3** The license shall be renewed at least thirty days before its expiry.
- 4** The license shall be cancelled at the One-Stop Shop if the activity is not continuing.
- 5** The license shall not be renewed if the Commercial Registration, Membership Certificate from Oman Chamber of Commerce and Industry and the Usufruct Agreement or lease contract are not valid at the time of renewal.

3 LICENSE FOR RECRUITING FOREIGN MANPOWER

Issuing the licenses for recruiting foreign manpower and rules of transfer and secondment shall be in accordance with the regulations and procedures of investors' licenses and foreign manpower recruitment and the rules of their transfer and secondment at SEZD issued in the Decision No. (2017/35), in collaboration with the Ministry of Manpower.

BASIC PROCEDURES FOR INVESTMENT IN DUQM

In order to ensure quick issue of necessary permits for foreign manpower, the licenses will be issued only within (5) working days from the date of submitting the application.

Required Fees

First Application Registration Fees:

SEZAD collects fees for license request or investors recruitment license as follows:

- 1** OMR 250 for licenses of recruiting foreign manpower or investors to be paid online when applying for license.
- 2** OMR 250 for requesting a transfer or secondment of foreign manpower between companies at SEZD to be paid when submitting the application.

Second Approval Request Fees:

The Ministry of Manpower collects the following fees:

- 1** Employment license request for 24 months = OMR 301
- 2** Employment license request for 4 months = OMR 61
- 3** Employment license request for 6 months = OMR 91
- 4** Employment license request for 9 months = OMR 136

Types of licenses

First Foreign Manpower Licenses

- 1** Employment license for (24) months and it shall be cancelled if not used within (9) months since date of issue.
- 2** Temporary employment license for (4) months and it shall be cancelled if not used within (6) months since date of issue.
- 3** Temporary employment license for (6) months and it shall be cancelled if not used within (6) months since date of issue.
- 4** Temporary employment license for (9) months and it shall be cancelled if not used within (6) months since date of issue.

Second Investors Employment Licenses

- 1** Employment license for an investor for (12) months and it shall be cancelled if not used within (6) months since date of issue.
- 2** Employment license for an investor for (24) months to be issued based on SEZAD evaluation of an investor's status. The license shall be cancelled if not used within (30) days since date of issue.

PROCEDURES OF OBTAINING EMPLOYMENT LICENSES:

1 Submit an e-application via the Ministry of Manpower website (<https://sso.manpower.gov.om>) following the steps outlined and attach the required documents mentioned in the Regulations or this Handbook.

2 Pay the registration fees (OMR 250) upon registration and concerned department at SEZAD shall review the application and take the decision. The applicant may track the status of the application directly on the abovementioned website or via the SMS to be received in the mobile number registered in the company's profile.

3 Pay the final licensing fees online after receiving the final approval from the Manpower Department, or complete the missing parts of the application in case of rejection.

Obtaining Visas

Article (21) of SEZD regulations states that the establishment of a branch of the Directorate General of Passports and Residence comes in accordance with the decision of the Inspector General of Police and Customs in

coordination with SEZAD. This shall issue entry visas and residency cards for foreign manpower working in SEZD and their families or for a visit purpose.

Therefore, the Directorate General of Passports and Residence in Royal Oman Police is the concerned authority to issue visas. The following is a summary of the procedures for issuing work and investor's visas for the projects registered in SEZD: You can refer to the website of Royal Oman Police for detailed procedures of all types of visas.

First: Investor's Visa

Granted to a foreigner, who is not less than (21) years old and intends to invest in Oman, based on a certificate issued by SEZAD in this regard, and the visa is:

- To be used within (6) months from the date of issue.

- Valid for the duration specified in the license issued by the Ministry of Manpower.
- Number of flights: multiple visits.
- Fees: OMR (50) charged by Royal Oman Police.

Second: Work Visa

Granted to a foreigner, who is not less than (21) years old and to over (60) years old, and visa is based on the following conditions:

- Renewable for multiple visits.
- Valid for (24) months from the date of the visa stamped on passport. If the work permit is temporary, the validity of residency shall be in accordance with the period granted only in the labor license.
- Fees: OMR (20).
- Fine for late renewal of residency: OMR 50 (Fifty Omani Riyal per month).
- Fine for late renewal of resident card: OMR 10 (Ten Omani Riyal per month).





ANNEX (2) FEES FOR SERVICES PROVIDED BY SEZAD

All fees of different services provided to investors are approved by the Decision No. 2016/8 issued by SEZAD on 7th February 2016. Therefore, we would like to draw the attention of investors to the following:

1 For services other than those mentioned in the attached tables, SEZAD shall collect the same fees, which the concerned parties would collect as provided for in the

relevant laws and regulations issued for their implementation.

2 SEZAD shall impose an administrative fine of (%10) of the fee on each person who fails to pay the fee due for each month of delay. The fine is charged after one (1) month from the due date. The fraction of the month shall be one month and the fraction of the Omani Rial shall be one Omani Rial.

3 Fees for services provided to SMEs, fully owned by Omanis and registered with the Public Authority for Small and Medium Enterprises Development (Riyada), shall be less by %50 of those mentioned in the attached tables.

First: Charges for Registration in the Commercial Register

Sr.	Service	Charge 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)	
I-	Changing the names of authorized signatories	Fifty (50)	
J-	Modification of other data	Twenty (20)	Upon issuance of each certificate
K-	Amendment of contact information	Free of Charge	
8	Issuance of a data certificate (Extract from the commercial register)	Ten (10)	

Second: Charges for licensing exercise of economic activities

Sr.	Service	Charge 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)	Upon issuing the license annually
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)	
K	Tourist rest houses	One thousand (1000)	
L	Tourist restaurant (Independent)	Five hundred (500)	
2	Temporary facilities five hundred (500)	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 timesharing weeks	Two thousand (2000)	Upon issuing the license annually
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	Charge in OMR	Due
Third: Charges of mining licenses			
1	Mineral prospection	Two thousand (2000) in addition to an annual rent of OMR (1000) per square Kilo meter	Upon issuing the license annually (every year)
2	Mineral exploration		
3	Mining		
4	Livelihood mining		
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)	
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 charges

Sr.	Service	Charge 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	Five hundred (500) in addition to the costs incurred by SEZAD for outsourcing the study review			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: Charges of urban planning and building licenses

Sr.	Service	Charge in OMR	Due
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) Baisa 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) Baisa 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 (5) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters	Upon issuing permit

Sr.	Service	Charge in OMR	Due
6	Construction completion certificate	Fifty (50) for the project whose construction area does not exceed (1000) thousand square meters in addition to (5) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters a maximum (1000) thousand	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) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters a maximum (1000) thousand	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) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters a maximum (1000) thousand	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) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters a maximum (1000) thousand	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) Baisa per additional square meter for projects whose construction area exceeds (1000) thousand square meters a maximum (1000) thousand	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: Charges related to food security

Sr.	Service	Charge in OMR	Due
1	Issuing certificate for damaging foodstuffs 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 of 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: Charges of other services

Sr.	Service	Charge in OMR	Due
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
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



ANNEX (3)

FEES COLLECTED BY SEZAD FOR GRANTING USUFRUCT OF STATE-OWNED LAND IN SEZD

FIRST: LAND ALLOCATED FOR END-USE PROJECTS

These are the projects granted land usufruct to start business immediately.

Field of Land Uses	Annual Consideration Per Square Meter (OMR)
Heavy Industries	0.500
Medium Industries	0.850
Light Industries	1.000
Stores, services and showrooms	1.000
Commercial land	1.000
Residential complexes	1.000
Tourist lands	0.750
Beach tourist lands	1.500
Clean energy	0.100

SECOND: LAND ALLOCATED FOR MAJOR DEVELOPMENT PROJECTS (DEVELOPERS)

These are the projects granted land usufruct for development purposes, including the construction of infrastructure and service facilities within the development boundaries and property management and leasing.

Projects classified as «main development» shall receive a discount on the consideration received by SEZAD for granting usufruct according to the percentage determined under the following equation and the provided discount should not exceed %50 of the usufruct allowance for end-use projects:

$$\text{Discount percentage (\%)} = \frac{\text{Cost of infrastructure}}{25 \times \text{land area}} \times 100$$

THIRD: EXEMPTION (GRACE PERIOD)

SEZAD may grant an exemption from payment of usufruct allowance for two years from the effective date of usufruct agreement with subject to the beneficiary shall start the project during this period.

FOURTH: ANNUAL INCREASE IN USUFRUCT ALLOWANCE

Three percent (%3) of the value of usufruct in the previous year.

FIFTH: ADMINISTRATIVE PENALTY FOR DELAYED PAYMENT

Ten percent (%10) of the allowance due for each month of delay calculated after one month from the due date. The fraction of the month shall be one month and the fraction of the Omani Rial shall be one Omani Rial.

TO GET YOUR COPY OF THIS HANDBOOK:

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THEY SAID ABOUT DUQM



Groundbreaking of Duqm Hongtong Piping Factory for manufacturing non-metallic pipes - 6 August 2019



Signing usufruct agreement for the construction of Duqm Integrated Power and Water Plant - 29 January 2019



Signing usufruct agreement with SQU to establish research centers in Duqm - 21 May 2019

Li Lingbing

Ambassador of the People's Republic of China to the Sultanate of Oman

"The Sino-Omani Industrial City in Duqm comes as part of the Belt and Road initiative and we are working to build the city on a solid foundation"

30 April 2019



Cathy Berx

Governor of the Province of Antwerp – Belgium

"The Special Economic Zone at Duqm (SEZD) is one of the key strategic projects in the Sultanate of Oman, which serves to attract local and international investments. Oman has a clear vision towards economic diversification and the progress achieved in different sectors has been noteworthy. There are many factors supporting the different economic and investment relations between Oman and Belgium and contributing to its growth".

11 September 2019



Pradeepkumar Nair

CEO of Little India Company

"After the success of Sebacic Oman Bio-Refinery Project in Duqm, I believe that the zone is progressively growing, and the Omani Government is seriously keen to create new investment opportunities here. It has paved the way through the tireless and determined efforts and endeavors of SEZAD that offers wonderful benefits, privileges and incentives for investors, built the basic infrastructures with highways and other facilities for the zone to grow and flourish. Duqm will be an icon being discovered now, but soon will be the best modern city."

13 June 2019

