



SOHAR Freezone Investor Guide





1- About this Guide

This guide presents basic important information for SOHAR Freezone (SFZ) clients and potential investors. It covers services offered by the One-Stop-Shop and the requirements to set up a business in SOHAR Freezone, applicable regulations, and other general information that a client would need to know during the initial phase of any project.

2- SOHAR Freezone Offerings & Advantages

- Land lease for industrial or logistical use
- Pre-built warehouses ready for lease
- Commercial offices for rent
- Availability of 3PL services through specialized companies
- Availability of utilities at competitive rates
- Modern infrastructure
- Direct 6 Km highway connection with SOHAR Port
- Direct highways to the UAE and Muscat
- Road connection to the Kingdom of Saudi Arabia

3- SOHAR Freezone Incentives

SOHAR Freezone offers its investors attractive incentive packages, including:

- One hundred percent (100%) foreign ownership
- No minimum capital requirements
- Corporate tax holiday up to 25 years
- One-Stop-Shop for all relevant clearances
- Zero (0%) import or re-export duties
- Zero (0%) personal income tax
- Low local labor requirements: 85% overseas workforce permitted
- Free Trade Agreements with the USA, Singapore, and European Free Trade Area (Iceland, Liechtenstein, Norway, and Switzerland)
- 50% discount for SMEs (Riyada card holders)

4- About One-Stop-Shop (OSS)

The One-Stop-Shop (OSS) of SOHAR Port and Freezone acts as a single-window for SOHAR Freezone clients to obtain all items needed to set up and operate their businesses efficiently and effectively. OSS provides multiple key services under a single window that has enhanced resources to deliver high quality services.

OSS services include:

- Company registration and licensing
- Environmental approvals
- Plot work permits
- Applications for utilities (electricity, water, and telecommunications)
- Labor permits
- Visas
- Tax exemption certificates
- Registration in customs system
- Civil Aviation approvals for heights above 20m
- Civil Defense preliminary approvals

5- SOHAR Freezone Rules & Regulations

SOHAR Freezone Rules and Regulations are governed by a Ministerial Decision, which outlines the regulatory framework to operate in SOHAR Freezone. Stakeholders can access this document via <https://soharportandfreezone.om/PDF/SOHAR%20Freezone%20Rules%20nd%20Regulations.pdf>

6- Registration and Licensing

Registering a new Freezone company in SOHAR Freezone takes only one business day from receiving a completed application.

The following documents are required to form a Freezone Company:

1. Application form completed and signed by the shareholders
2. Copy of shareholders' passports

If a shareholder is an existing corporation outside Oman, the following documents are required:

1. Commercial registration of the company (attested)*
2. Board resolution to form the free zone company, signed by shareholders
3. Articles of association for the shareholding company (attested)*

*The above documents need to be attested by the Omani Embassy in the origin country and the Ministry of Foreign Affairs at the origin country or Apostile Stamp.

Upon completion of the registration process, the following will be issued to the newly registered company:

1. Commercial registration certificate
2. Affiliation certificate to Oman Chamber of Commerce and Industry (OCCI)
3. PO Box number that is valid for one year

SOHAR Freezone Company offers different types of licenses, including:

License of industrial activity for heavy industries,
License of industrial activity for medium industries,
License of industrial activity for light industries,
License of commercial activity, and Service Provider License.

Service Provider Companies and Licenses:

SOHAR Freezone highly values the availability and provision of professional services to their Tenants. These services may be available outside the Freezone (such as services providers (SP), suppliers,

transportation, catering, clearing agent, cleaning services, contractors, and sub-contractors, etc.) and inside the Freezone (like most industry-related services). To allow our clients to select appropriate services according to their requirements, SFZ holds a register of Service Providers in several categories. On request, SOHAR Freezone will provide tenants and prospective tenants with a neutral overview of registered services and service providers in the relevant categories.

Responsibilities and Authorities:

One-Stop-Shop Department (OSS)

- Register Service Provider Companies (SPCs) and issue the Service Provider License (SPLs) accordingly
- Send the fees transfer slip to Finance Department for confirmation
- Ensure usernames and passwords to the SPCs by coordination with IT Department accordingly

Service Provider License Category:

Sr.	Activity	Fees	Payment due
1	Permit for main contractor	100 OMR	Upon submitting the application every year
2	Permit for subcontractor	50 OMR	
3	Permit for food supplier	100 OMR	
4	Permit for cleaning service provider	50 OMR	
5	Permit for consultant	100 OMR	
6	Permit for providing other services	30 OMR	

1- Registration Process

- Service Provider Company (SPC) completes and signs the application form
- SPC determines the required business activity
- SPC Submits the required documents along with payment receipt
- OSS obtains Finance Department confirmation on the payment and reviews the application
- Issuing / renewing the license takes 24 working hours to process, after receiving all required documents and payment.

2- License Submission

- Once the license is issued, a soft copy will be sent via email to the Service Provider (SP) (considered as original)
- The SP can get a hard copy of the license, upon request.

3- Service Provider Gate Pass User Account

- All registered service providers will be granted an account to apply for their own gate passes (refer to point number 11 as below).

4- Service Provider Issuing Gate Pass

Type	Period	Fee
Temporary	10 – 1 Days	Free of charges
	10 Days to 3 Months	Free of charges
Permanent	3 Months to 1 year	5 OMR

7- Opening Bank Account

Companies are required to open a local bank account. The documents required for opening a bank account in Oman are as follow:

1. Copy of the commercial registration and authorized signatories' form issued by SOHAR Freezone
2. Copy of Oman Chamber of Commerce and Industry (OCCI) certificate

3. Copy of P.O. Box
4. Copy of the SFZ license
5. Supporting letter
6. Bank Account Application Form to be signed and stamped by an authorized signatory
7. Omani identity card (ID) of all authorized signatories and shareholders

8- Environmental Permits

OSS assists customers with the application procedure for environmental permits with our dedicated environment specialist guiding the companies through the process. Only the activities listed in MD 48/2017 require an environmental permit.

The activities are classified into three main categories as shows in the below table:

Category	Requirements	Approval Period
Issuance or renewal of environmental permit (First Category)	Environmental Impact Assessment (EIA) study	From 0 to 5 working days
Issuance or renewal of environmental permit (Second Category)	Environmental Management Plan (EMP)	From 0 to 5 working days
Issuance or renewal of environmental permit (Third Category)	Based on the screening process, the project might require Environmental Impact assessment (EIA).	From 0 to 5 working days

Normally, OSS facilitates the application process for environmental permits and our environment specialist will guide the clients throughout the approval process.

For more details, please refer to Environmental Permit Application Guidelines via: [https://soharportandfreezone.om/PDF/SOHAR_Environmental Permits Application Guidelines.pdf](https://soharportandfreezone.om/PDF/SOHAR_Environmental_Permits_Application_Guidelines.pdf)

9- Waste Management

Each user shall dispose of waste in the manner approved by SOHAR Freezone, Environment Authority and Be'ah. Such approval shall include the use of approved waste transporters and approved disposal facilities. Be'ah Industrial Waste Treatment Facility (IWTF) is located at SOHAR Freezone. This facility consists of an incineration plant, a physical and chemical treatment unit, a solidification unit, several landfills (inert, single lined, and double lined) to cater to different requirements, as well as pre-treatment and storage units. Handling waste services are subject to fees according to the type and quantity of waste materials.

10- Plot Work Permit

A working company shall obtain a plot work permit before commencing activities on its plot. The issuance of the permit shall be with SOHAR Freezone Technical Department and potentially Civil Defense, if required, approve all civil drawings of the project.

There are basic requirements that need to be observed during the design stage of a project as outlined in the work permit procedures. The applicant can apply for all permits through our permit management system Tas'heel.

You may request a copy of this document from

oss@soharportandfreezone.com

The application and approval process of design drawings is obtained through OSS.

11- Gate Entry Passes

The Freezone Access Control System procedure and the process for the Freezone users (New Investors, Tenants, Service Provider, and Visitors) are as below:

- Tenant/ Service Provider sends an official letter to OSS including:
 - Company name: Name of the company to register in the system
 - Person name: Name of the person who will use the system
 - User contact number: Contact number and the email of the person who will use the system
 - User ID card number: ID card of the person who will use the system
 - Copy of ID card for the ID user
 - SP will be requested to sign acknowledgement and commitment letter
- OSS communicates with Security and Access Control Department to create a user account and password
- Tenant & SPs will receive user account and password by email
- Online Access control website: <https://gpass.soharportandfreezone.om>

Notes:

1. The profession of an applicant must comply with the nature of Freezone activity requested
2. In case any inquiry, please contact:
 - OSS email address: oss@soharportandfreezone.com
 - Security and Access Control Department: security.team@soharportandfreezone.om

12- Customs Framework

SOHAR Freezone area is a bonded zone outside the customs regime of Oman. Goods that enter SOHAR Freezone are not subject to customs duty. Goods exiting from the Freezone to foreign countries will also not be subject to customs duty.

Goods exiting SOHAR Freezone into Oman or GCC states are subject to customs duty, which is normally 5% of the value of the goods.

Import and export of certain goods through Oman

borders may require special permission from the concerned authorities during the commercial registration and licensing process.

For additional details on customs procedures, please refer to SOHAR Freezone Customs Guide at <https://soharportandfreezone.om/PDF/ROP-Booklet-PDF.pdf>

13- Corporate Tax Exemption

SOHAR Freezone companies can enjoy a corporate tax holiday up to (25) years subject to maintaining certain levels of Omani staff. Please see the table below.

An application for a tax exemption certificate should be submitted to OSS with supporting documents as per the relevant application form addressed to Taxation Authority. oss@soharportandfreezone.com

In order for the tax exemption to be continued from year to year, a Freezone company needs to provide the Ministry of Finance with audited financial statements at the end of every year.

Tax Exemption Period	Omanization Level (Minimum)
First 10 years	%15
Following 5 years	%25
Following 5 years	%35
Following 5 years	%50

14. Visa

The One-Stop team of SOHAR Freezone assists in obtaining different types of visas such as:

- Investor visa
- Employment visa
- Temporary employment visa
- Family joining visa

15. Subleasing

Subleasing of plots, warehouses, and offices are allowed in SOHAR Freezone subject to prior approval from the Freezone Authority, under certain conditions and warranties. The working company subleasing to another Freezone company shall take full liability to fulfill the obligations stipulated in the subleasing agreement including those obligations towards SOHAR Freezone Authority and other government authorities. For additional information on subleasing, please send your queries to oss@soharportandfreezone.com.

16. Electricity

Nama-Distribution Company and Oman Electricity Transmission Company supply electricity to SOHAR Freezone projects.

OSS processes the applications for new connections. For additional information, please visit the utility provider website (www.nama.om) or (www.omangrid.com), or send your queries to oss@soharportandfreezone.com.

The Authority for Public Services Regulation (APSR) is responsible for overseeing electricity tariffs across Oman. They offer three different tariff options: structure-based, seasonal-based, and fixed tariff. To explore the other available options, please refer to (<https://apsr.om/en/tariffs>)

17. Water Services

Majis Industrial Services provides water services in SOHAR Freezone. The pricing for potable water is regulated by APSR and can be found on their website (<https://apsr.om/en/tariffs>). In contrast, Majis oversees the pricing and management of all other water service types.

OSS processes the applications for connections. For additional information, please visit utility provider website (www.majis.om) or send your queries to oss@soharportandfreezone.com

18. Civil Aviation

For any building/project with heights of more than 20m, approval from Civil Aviation is required. OSS will guide and support the client through the process and approval including submission of the application and related cover letter to the related authorities.

19. Civil Defense

Civil defense approval is required to ensure that all firefighting equipment is placed as per Oman's rules and regulations to ensure the safety of people and assets. OSS team will support SOHAR Freezone tenants by preparing a cover letter addressed to the Civil Defense.

20. Telecommunication Services

SOHAR Freezone is well connected to telecommunications services offered mainly by two telecommunication service providers, OMANTEL and OOREDOO. Clients have the choice to select any solution according to their needs.

The service options below can be provided by OMANTEL, however, the new fiber termination will depend on the customer specific need and case feasibility. In addition, we can provide service through different media MW, UMW, 5G, satellite etc., depending on customer requirements.

The table below describes the type and quality of services:

Service	Quality
Mobile	4G
Fixed Line	Fiber optic cables
Internet	Fiber optic cables

OSS shall process the applications for connections. For more information, please visit utility provider website (www.omantel.net.om , www.ooredoo.om) or send your queries to oss@soharportandfreezone.com

21. Accommodation & Labor Camps

Labor accommodation inside SOHAR Freezone is prohibited. Sohar city area has various choices of accommodation with all types of standards. Please refer to the list of important contacts at the end of this guide.

Labor camps are being developed in Sohar and can be arranged by public real estate service providers. Please contact the Customer Service Desk for further assistance.

22. OSS Fees

<https://soharportandfreezone.om/PDF/New%20Service%20Fees-%20English.pdf>

23. Important Contact List (Port & Freezone Services)

Contact Name	Description	Contact No.
SOHAR Port and Freezone	Port and Freezone Authority	+968 2685 2700
Port & Freezone Emergency Hotline	Port & Freezone Emergency Hotline	+968 2685 2777
Hutchison Ports Sohar	Hutchison Ports Sohar	+968 2686 5600
C. Steinweg Oman LLC	Sohar General Cargo Terminal	+968 2685 0418 /20/21
ADVARIO	Sohar Petroleum & Chemical Terminal	+968 2670 0300
Port City	Commercial office Rental	+968 9945 5223

Al Hosn Logistics and Warehousing Services(FZC) SPC	Warehousing Company	+968 9932 0259
Nama-Distribution Company	Utility Provider – Electricity	+968 2455 9200
Oman Electricity Transmission Company	Utility Provider – Electricity	+968 2428 3000
Majis Industrial Services	Utility Provider – Water & Sewage	+968 2685 2468
Oman Environmental Services Holding Company	Utility Provider – Waste Management	+968 2422 8401

24. Banks, Hotels, and Residential Complexes

Contact Name	Description	Contact No.
Bank Muscat	Bank	+968 2479 5555
Sohar International	Bank	+968 95298080
National Bank of Oman	Bank	+968 99792999
Oman Arab Bank	Bank	+968 24754360
Bank Dhofar	Bank	+968 2479 0466
HSBC Bank	Bank	+968 2684 6146
Radisson Blue Sohar	5-Star Hotel	+968 2664 0000
Crown Plaza Sohar	4-Star Hotel	+968 2685 0850
Sohar Beach Hotel	4-Star Hotel	+968 2684 1111
Butterfly Hotel Sohar	4-Star Hotel	+968 2684 3501
Palm Garden Sohar	Residential Real Estate	+968 2457 8277
Dawood Trading & Contracting Est.	Residential Real Estate	+968 2449 7397
Abdullah Moosa Complex	Residential Real Estate	+968 9405 4340
Majan Complex	Residential Real Estate	+968 2675 0877

25. Hospitals & Schools

Contact Name	Description	Contact No.
Sohar Hospital	Government Hospital	+968 2684 4555
Bader Al Sama Hospitals	Private Hospital	+968 2684 8767
Lifeline Hospital	Private Hospital	+968 2665 1111
Al-Raffah Hospital	Private Hospital	+968 2670 4639
Sohar International School	Private School	+968 2684 6434
Indian School Sohar	Private School	+968 2684 1885
Knowledge Oasis Private School	Private school	+968 9333 7007
Al-Batinah International School	Private school	+968 2685 0001

26. Labor Supply

Contact Name	Contact No.
Qurrat Al-Ain International Trading and Contracting LLC	+968 2670 0129
Al-Nahdha Group	+968 2684 6798
Kawakib Al-Khaleej Al-Faddi Trading and Contracting	+968 9812 9704

27. Oman Business Directory

www.businessdirectoryoman.com









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