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This single chapter on trade regulations and standards is excerpted from the FY 2005 Country Commercial Guide for Oman. The full text of the report is also available on this website.

Chapter 5: Trade Regulations and Standards

- Import Tariffs
- Trade Barriers
- Import Requirements and Documentation
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Import Tariffs

On January 1, 2003, Oman implemented the GCC Unified Customs Law (UCL). The UCL imposes a five percent ad valorem duty on practically all products imported from non-GCC countries, including automobiles. Live animals, fresh fruits and vegetables, seafood, grains, flours, tea, sugar, spices and seeds for planting are exempt from customs duty. Tobacco, pork, and alcohol products are assessed 100 percent customs duty.

Trade Barriers

Some classes of goods require a special license (e.g., alcohol, firearms, and pharmaceuticals), while others are exempted from customs duty. Examples of the latter include currency, agricultural implements and material, books, and basic food commodities, such as rice and meat.

All media imports are subject to censorship by the Ministry of Heritage and Culture for morally or politically sensitive material. The Ministry of Information delays or bars publications if content is deemed morally suspect or politically sensitive.

In addition to agency requirements, the licensing of business activities can be time-consuming and complicated and can significantly add to the time it takes to get goods to or out of market.

Although local tax treatment was extended to local agents, higher tax rates are still imposed on local branches of foreign companies. This can sometimes hamper the competitiveness of U.S. exports in the Omani market.

Another potential barrier to trade include the 10 percent price preference given for government purchases of locally produced goods, provided they meet quality standards. This is extended to foreign industrial producers in joint ventures with local concerns.

Import Requirements and Documentation

With the exception of food products, an authentication procedure is not required if the importing company has an existing agency agreement with a U.S. exporter. In 1996, Oman began the process of simplifying customs clearance documentation to expedite the flow of goods and promote its ports and airports. For example, Arab League boycott-certification is no longer required. However, only Omani nationals are permitted to submit documents to clear shipments through customs, drive vehicles shipping commodities and products from wholesale centers, or own and operate food retail establishments. All imported meats (i.e., beef and poultry products) require a health certificate issued by the country of export and a "Halal" slaughter certificate issued by an approved Islamic center in that country.

U.S. Export Controls

The U.S. Government has established export controls to limit proliferation of items, services or technologies of defense or dual usage nature. There are several regulatory bodies responsible for the regulation and compliance issues in various fields. The following list includes most of these bodies, a number of which maintain websites with further information.

- Department of State, Directorate of Defense Trade Controls (DTC)
- Department of the Treasury, Office of Foreign Assets Control (OFAC)
- Nuclear Regulatory Commission, Office of International Programs
- Department of Energy, Office of Arms Controls and Nonproliferation, Export Control Division
- Department of Energy, Office of Fuels Programs
- Defense Threat Reduction Agency Technology Security
- Department of the Interior, Division of Management Authority
- Drug Enforcement Administration, International Drug Unit
- Drug Enforcement Administration, International Chemical Control Unit
- Food and Drug Administration, Office of Compliance
- Food and Drug Administration, Import/Export
- Patent and Trademark Office, Licensing and Review
- Environmental Protection Agency, Office of Solid Waste, International and Special Projects Branch

Temporary Entry

Oman has no general provisions for the temporary entry of goods. In the case of auto re-exports, a company or individual may have the duties refunded if the vehicles are re-exported within six months. The government has established a free-trade zone along an interior border crossing point with Yemen (al-Mazyounah), but the project is small scale with little prospect for attracting overseas investors.

Labeling and Marking Requirements

Labeling: Common GCC labeling standards of imported goods is a key issue facing U.S. exporters. Food labels must include product and brand names, production and expiry dates, country of origin, name and address of the manufacturer, net weight in metric units, and a list of ingredients in descending order of importance. All fats and oils used as ingredients must be specifically identified on the label. Labels must be in Arabic only or Arabic/English. Arabic stickers are accepted.

Shelf-life Standards: Omani Ministerial Decree # 74/2000 states that imported food products will follow the Codex Alimentarius recommendations for food labeling, particularly for shelf-life statements. Omani government authorities still prefer to see imported foods labeled with dates of production and expiry, reportedly because consumers request such information. Many U.S. firms consider Omani shelf-life limits more restrictive than scientifically necessary. The U.S. supplier should work closely with the importer to ensure compliance with local shelf-life requirements.

Prohibited and Restricted Imports

Certain classes of goods require a special license (e.g., alcohol, firearms, pharmaceuticals, and explosives). All media imports are censored. The Ministry of Heritage and Culture may reject or expunge morally or politically sensitive material from imported videos. The Ministry of Information delays or bars the entry of magazines and newspaper editions if it takes exception to a story on Oman or deems the content morally suspect. In practice, the effect of this censorship on non-pornographic materials is usually mild. Imports of pork products and alcoholic beverages are restricted.

Customs Contact Information

For more information, contact the Omani Directorate General of Customs, Royal Oman Police at:

Telephone: + (968) 24 521-109/24 521-108

Fax: + (968) 24 510-488

Or visit the Royal Oman Police website: www.rop.gov.om

STANDARDS

- Overview
- Standards Organizations
- Conformity Assessment
- Product Certification
- Accreditation
- Publication of Technical Regulations
- Labeling and Marking

Overview

As part of the GCC Customs Union, member countries are working toward unifying their standards and conformity assessment systems, and have progressed considerably toward the goal of a unified food standard, originally targeted for adoption by 2006. However, each country currently applies either its own standard or a GCC standard, causing confusion for businesses.

In its accession to the WTO, Oman committed to eliminate mandatory shelf-life standards for shelf-stable foods from the date of accession and revise its shelf-life requirements program to meet the substantive requirements of relevant WTO Agreements. Oman also agreed to establish regulations and procedures in line with international norms for highly perishable refrigerated food products and gradually replace remaining shelf-life requirements with a science-based regulatory framework.

Standards Organizations

The body concerned with establishment and overview of standards is the Directorate General of Specifications & Measurements of the Ministry of Commerce & Industry, which can be reached at the following address:

Directorate General for Specifications & Measurements, MOCI

P.O.Box. 550 Muscat Sultanate of Oman

Phone: (+ 968) 24 813-418 Fax: (+ 968) 24 815-992

E-mail: dgsm123@omantel.net.om

Conformity Assessment

A manufacturer declaration is required to assure conformity to Omani/GCC standards. In cases of nonconformity to current standards or need for consideration of other internationally recognized standards, a letter should be addressed to the Directorate General of Specifications and Measurements at the Ministry of Commerce & Industry with authenticated results of laboratory testing.

Product Certification

A product certificate is required to assure the product's conformity to international or Omani/GCC standards.

Accreditation

Any laboratory testing certificates relating to conformity to Omani or international standards should be submitted to the Directorate General of Specifications and Measurements, which is responsible for accrediting laboratories and classifying and assessing the results obtained.

Publication of Technical Regulations

The Directorate General of Specifications and Measurements supplies upon request a CD-ROM containing a listing of all standards and specifications adopted by the Arab Gulf Cooperation Countries, along with related information.

Labeling and Marking

See section on Labeling and Marking Requirements above.

Trade Agreements

Oman and the United States signed a bilateral Trade and Investment Framework Agreement (TIFA) on July 7, 2004. This agreement established a U.S.-Oman Trade and Investment Council, which met for the first time in Washington in September 2004. Investment issues are under active discussion in follow-up meetings, especially in preparation for negotiating a Free Trade Agreement (FTA) with Oman. These FTA negotiations, which will commence in Spring 2005, will supplant previous discussions regarding a Bilateral Investment Treaty, as an FTA will include an investment chapter.

Web Resources

- http://www.rop.gov.om
- http://www.moneoman.gov.om
- http://www.mocioman.gov.om

Please Note: Country Commercial Guides are available to U.S. exporters on the website: **http://www.export.gov**. They can be ordered in hard copy or on diskette from the National Technical Information Service (NTIS) at 1-800-553-NTIS.

U.S. exporters seeking further recommendations for trade promotion opportunities in Israel and country-specific commercial information may also wish to visit the website of the U.S. Commercial Service in Israel http://www.buyusa.gov/oman

Travelers may wish to obtain the most recent travel advisory from the U.S. Department of State at www.state.gov

U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest Export Assistance Center of the U.S. Department of Commerce's Trade Information Center at (800) USA-TRADE, or go to one of the following websites: www.usatrade.gov or www.tradeinfo.doc.gov

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.