



Oman

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Foreign Ownership of Land Promoted in Duqm Special Economic Zone

New regulations on real estate ownership (Real Estate Regulations) within Duqm special economic zone (SEZAD) came into force on 6 September 2017 (SEZAD Decision No. 45/2017).

The Real Estate Regulations provide the legislative framework for the construction by the private sector of residential, tourist, and commercial complexes on State-owned land in this strategic economic free zone. They also clarify the rules for the sale of usufruct rights over the units constructed.

The Real Estate Regulations provide for the grant of a licence by the Authority to real estate developers to construct buildings on plot of state-owned land with a minimum 100000 square metre area for residential, commercial, mixed, or tourist complexes. Subject to the principal developer satisfying various rules and requirements, the Authority will enter into a development and usufruct agreement for a term of up to 50 years, renewable for a similar term. The real estate developer will be required to build out the basic infrastructure and provide services for the overall development. The developer may sell on rights of usufruct in the units built on the development to any individual or company, whether Omani or non-Omani, under the terms of a usufruct agreement approved by SEZAD Authority. The Real Estate Regulations appear to envisage that units will be offered off-plan, either before or during the construction phase.

The purchaser of usufruct will have unfettered right to use, sell or operate the real estate unit and the use of the common parts. The Real Estate Regulations allow purchasers of units to form and manage an association including a group of neighbouring properties. The association shall be responsible for keeping the property, its common parts, and annexes in good order, providing necessary services, and ensuring the optimum fitness for purpose. They have the right to enter into contracts with maintenance companies registered with SEZAD for this purpose.

Most importantly, the Real Estate Regulations state that the right of residency in Oman will be granted to foreign investors in accordance with Royal Oman Police procedures and conditions and subject to Oman's Foreign Residency Law as follows:

1. a natural person purchasing a unit along with relatives to the first degree;
2. the legal representative and relatives to the first degree of the principal developer;
3. two representatives (not relatives) of a foreign corporate entity.

The Real Estate Regulations are a response to the considerable foreign investor interest in the growth and potential of the SEZAD and brings welcome clarity to the rules governing the licensing and execution of real estate development projects within the Zone with rights of residency for investors and their families.

TRA Regulates Radio Transmissions by Ships and Aircraft

The Oman telecoms regulator issued Decision No. 39/2017 in August amending Decision No. 133/2008 on the Regulation of the Registration and Utilisation of Radio Frequencies and Equipment, and their pricing (Regulation). The amendment brings radio transmissions and frequencies used by ships and aeroplanes (mobile earth stations) in Oman's territorial waters and airspace within the ambit of the Regulation, thereby plugging a gap in the telecom regulatory framework that had existed since 2008.