



SOHAR FREEZONE LLC

Guidance note

“from Contract to Groundbreaking”

At Freezone Sohar, we strive to have clear and transparent business processes. This Guidance note informs the Freezone client on the mandatory steps that have to be taken to be allowed to work on the plot and commence groundbreaking. All these process steps will be coordinated by our One Stop Shop department.

Step 1: Conduct the Environmental study

A study on the Environmental side of the project is required for all projects in the Freezone. If a “No Objection Letter” (NOL) has not yet been obtained, we will request one with the Ministry of Environment and Climate Affairs (MECA). In the NOL, MECA will stipulate whether the project requires a full Environmental Impact Assessment (EIA, to be conducted by an approved consultant) or if an Environmental Review suffices (an ER is more comprehensive and may be conducted by any competent party).

The NOL will also indicate whether the project has to comply with the International Pollution Prevention Control framework (IPPC) and/or the SEVESO II Framework for External Safety. All interaction with MECA is held with the dedicated branch for the Port and Freezone Sohar, the “Sohar Environmental Unit” (SEU).

After scope approval, the EIA can be conducted which on average requires 2 to 4 months. An ER can be made in much less time, normally a few weeks. MECA has several very informative guidance notes on the Environmental reporting which are available through our One Stop Shop as is a list of approved consultants.

Once the Environmental report is submitted, the SEU will review the document and if the quality is good enough, the report will be forwarded, with the official permit application, to MECA in Muscat who will issue the Environmental permit.

Step 2a: Submit the Electricity application

Our One Stop Shop department will prepare the application for the Electricity connection. The client has to provide the general plant lay-out, electrical load requirements over time and the single line diagrams. Therefore the application can only be made once the engineering process can deliver these data.

The Commercial tariff is OMR 0,020/kWh and the Industrial tariff is OMR 0,012/kWh from Sep-Apr (8 months) and OMR 0,024/kWh from May-Aug (4 months). The Industrial tariff can be applied for only when the power factor exceeds 0,9. The appropriate power connection will be delivered to the tenants plot boundary free of charge.

Step 2b: Submit the Water Services applications

Majis Industrial Services has the exclusive rights for all water related services in the Freezone Sohar. This includes provision of potable water, process water and irrigation water as well as collection of sewage and waste water. The tariff and quality data sheets are available through the One Stop Shop who will also prepare and submit the application(s).

Step 3: Submit the application for the Plot Work Permit

Freezone Sohar has published Development Control Regulations (DCR) to set out the minimum design requirements for the development in the first phase of the Freezone. The DCR stipulate our rules on issues like building setback, heights, fences, parking areas, landscaping, drainage etc. On the basis of the DCR, the client is expected to submit a full application of drawings. Once approved, a Freezone Plot Work permit will be issued through the One Stop Shop. A separate permit procedure exists for works in the Common areas. Preparing the application for the Plot Work permit (by the client's engineer) requires frequent interaction between the Freezone technical team and the clients Engineer. In total, this process will take 2 to 3 months on average.

Step 4: Submit the application for the temporary Fire Safety Permit

A separate application will have to be made to obtain the temporary fire safety permit from the Royal Oman Police (ROP), Civil Defence department. Like the DCR, drawings are required which will have to be prepared by the clients Engineer. The following sets have to be submitted to the One Stop Shop, who will prepare the application.

- 5 copies of a sketch plan of the project approximate scale 1:200 or 1:400 according to the land area indicating the location of the project, buildings, streets, public service lines and water resources for fire fighting (*).
 - 5 copies of the drawings of approximate scale not less than 1:100 indicating emergency paths in the case of fire, and reactionary designs and installations to protect the building and its residents and its other stuff and that must be shown in all drawings (*).
- (*source ROP Civil Defence)

Tariff is OMR 0,050 per m² of build-up area plus a 7,5% service charge. Process time after submission and acceptance is one week only.

Groundbreaking

The Client is allowed to start construction on the plot when:

1. The Environmental report is approved by SEU and forwarded to MECA, and;
2. The Plot Work Permit has been issued by Freezone Sohar, and;
3. The temporary fire safety permit has been issued by ROP Civil Defence.

Freezone Sohar Management

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