

Free trade agreements between the governments The Sultanate of Oman and the United States of America.

Agreement Name

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Type Free Trade Agreement & Economic Integration Agreement

Coverage Goods & Services

Join the agreement Ratified by Royal Decree No. 109/2006 issued on 10/15/2006

Start Date Jan 2009

Current Signatories

Oman

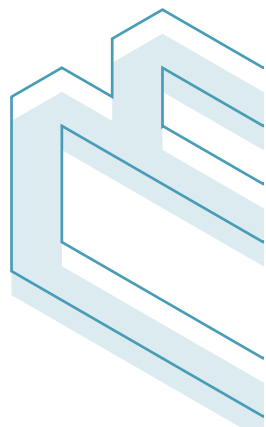
USA

Introduction

The Sultanate of Oman and the United States of America signed an agreement to establish a free trade zone between the two countries, to strengthen the bonds of friendship between the two countries, economic relations, and achieve full benefit from open and competitive markets that enhance economic efficiency, innovation, and growth, and also to create new job opportunities and raise the standard of living for the citizens of their two countries. By liberalizing and expanding trade between them, and enhancing the ability of the Sultanate's institutions to compete in global markets, the agreement entered into force on 1/1/2009.

The purpose of this agreement

- 1 Attracting more US investments in particular and foreign ones in general, supporting the industrial and commercial sector and increasing the volume of trade exchange.
- 2 The possibility of the Sultanate being a regional center to absorb American products and redistribute them in the region
- 3 Increasing the joint Omani-American investments, opening the markets of the two countries to investors, and enabling the products of the two countries to enter the markets.
- 4 The complete openness of the Sultanate's market to other international markets.
- 5 Supporting customs training within the framework of technical support included in the agreement.
- 6 Improving and developing customs procedures.
- 7 Benefiting from the long-standing American experience in customs fields.



Documents required customs clearance

Import:

- 1 Purchase Invoice: It shall include the details of the goods, the most important of which are the country of origin, tariff code (H.S), weights and numbers.
- 2 Bill of lading.
- 3 A letter from the importer requesting preferential treatment stating that the goods are eligible for the conditions of preferential treatment.

Export:

- 1 purchase invoice.

Exempted items

- 1 All goods originating in the United States of America to which the terms of the rules of origin apply in the above-mentioned agreement and referred to in the tariff lists with the code (A & D) shall be exempted from customs taxes at a rate of 100%, starting from the date of 1/1/2009 i.e. since The first day of the agreement's entry into force.
- 2 The American goods included in list (B) are exempted by gradually reducing the customs tariff over a period of five years, starting from 1/1/2009 AD until the tariff reached (0%) on 12/31/2012 AD, so that they are completely exempted starting from the date 1/1/2013 AD.
- 3 The US goods included in list (C) are exempted by gradually reducing the customs tariff over a period of ten years starting from 1/1/2009 until the tariff reaches (0%) by the end of 2017, so that it becomes completely exempt from customs tax starting from the date of 1 1/2018 AD.
- 4 Goods included in list (E&H) (Protected Goods and Special Goods) Exemption begins with the beginning of the tenth year of implementation of the agreement, as the exemption starts from 1/1/2018.
- 5 Goods included in the list bearing the symbol (I) and classified as prohibited remain not covered by the exemption.
- 6 All goods of American origin, including private goods, will become completely exempt from customs tax in accordance with the agreed terms and rules such as (rules of origin and direct import ... etc.) as of 1/1/2018.

Conditions for applying customs exemption

- 1 That the goods are of American origin and imported from the United States of America directly, and the goods imported (transit) through the ports of other countries are considered direct imports, and if they pass through the territory of a third party, a declaration from the customs authorities in the third country must be attached confirming that the goods were under Customs control during its transit. Provided that the Goods shall not be cleared by Customs or subjected to any processing, production, manufacture, improvement or any subsequent operation outside the territory of either Party except loading, unloading, transshipment or any other operation necessary to keep the goods in good condition for the carriage of the goods to the Sultanate of Oman.
- 2 Equipment and devices that consist of several parts and bear more than one origin. The main part of the device is approved and obtains preferential treatment by exemption from customs tax as long as the main part is American-made and achieves the added value (35%) of the manufacturing cost of the device as an integrated unit.
- 3 The importer requesting exemption or his authorized representative must disclose this by writing in his application the phrase "These goods meet the terms of a preferential customs tariff treatment stipulated in the free trade agreement between the government of the Sultanate of Oman and the government of the United States of America."
- 4 In case of doubt about the validity of the origin of the goods or the documents submitted to obtain the preferential treatment, the goods shall be released against a customs guarantee of the value of the tax for the goods similar to them in the customs tariff schedule, until the importer brings proof that they have achieved the added value.
- 5 The importer has the right to claim the refund of the tax or the customs guarantee within one year from the date of registration of the customs declaration, and the importer must submit the required documents, including the relevant information (growth - production - manufacturing of goods) for verification.
- 6 A certificate of origin is not required to benefit from preferential treatment. The origin of the goods can be verified through the purchase invoice or shipping documents indicating the origin of the goods, or through the indication of origin affixed to the goods.
- 7 Products of American factories manufactured in other countries outside the United States of America do not benefit from the customs exemption established under this agreement.

Goods of American origin coming from or transiting through free zones are treated as follows:

- 1 Goods that pass through the ports and free zones receive preferential treatment with exemption, provided that no modification is made to them and that they are returned with the same documents issued to them by the exporting country, and that they remain under customs control in the country of transit.
- 2 Goods that are imported or even fragmented during transit from free zones do not receive preferential treatment with exemption because they did not meet the direct import requirement.
- 3 You do not get preferential treatment in the event that goods in transit are divided and loaded into containers with different numbers and new bills of lading are issued.

