

Public Establishment of Industrial Estates

Decision

No. 219/2017

**Issuing the Regulations on Administrative Violations and Sanctions
in the Public Establishment of Industrial Estates**

Pursuant to the System of the Public Establishment of Industrial Estates promulgated by Royal Decree No. 32/2015,

The approval of the Board of Directors of the Public Establishment of Industrial Estates,

The approval of the Minister of Commerce and Industry,

And as per the exigencies of the public good,

It is resolved

Article One

The provisions of the Regulations on Administrative Violations and Sanctions (enclosed) shall apply to all industrial estates of the Public Establishment of Industrial Estates or those it manages or supervises.

Article Two

Revoked shall stand all that contradicts or contravenes the provisions of the enclosed Regulations.

Article Three

This Decision shall be published in the Official Gazette and shall enter into force after (90) ninety days of its publication date.

Issued on: 27 Ramadan 1438 AH

CT: 22 June 2017 CE

Eng. Ahmad bin Hassan Al-Dheeb

Undersecretary of Ministry of Commerce and Industry

Chairperson

**Regulations on Administrative Violations and Sanctions in the Public
Establishment of Industrial Estates**

Article (1)

In the application of the provisions of these Regulations, the following terms shall have the respective meanings hereunder unless the context requires otherwise:

Establishment:

The Public Establishment of Industrial Estates

Zone:

An area of land allocated for the incorporation of an investment activity operated, managed or supervised by the Establishment

Director General:

Director General of the zone

Relevant Department:

The Operations Department in the zone or any organizational division in the zone concerned with investors' dealings

Investment Activity:

The commercial, industrial, agricultural, real estate, touristic, service, logistic, occupational, artisan, or technical activity that the investor practices in the zone

Investor:

A company, establishment, or commercial representation office or their branches, whether Omani or foreign, licensed to practice investment activity in the zone

Developer:

A company or establishment, whether Omani or foreign, contracted to build, manage, or operate the zone or a part thereof or to execute infra- or superstructure or public utilities.

License:

A certificate issued by the Establishment to the investor to practice the investment activity in the zone

Article (2)

The provisions of these Regulations shall apply to the developers, investors, contractors, service providers, and workers in the zone. The provisions of the laws, regulations and systems applicable in the Sultanate relevant to the licensed activity shall apply to the issues not covered by a specific text in these Regulations.

Article (3)

The violations committed by the developers, investors, contractors, service providers, and workers in the zone are classified as follows:

A- Group One: it includes the following violations:

- 1- Utilization of areas outside the leased area without permission.
- 2- Fixing a kiosk, counter or commercial booth outside the investor's buildings without a prior permit from the zone.
- 3- Absence of a sign with the commercial name of the project.
- 4- Non-conformity between the commercial name on the sign and that in the license.
- 5- Lack of maintenance of the sign or damage thereof.
- 6- Lack of the required safety conditions in the sign.
- 7- Placement of inappropriate drawings or photos on the products and signs.
- 8- Non-compliance with the conditions of the sign location and its set measurements.
- 9- Printing or distributing pamphlets without permission from the zone.
- 10- Hanging clothes in other than the designated locations.
- 11- Washing vehicles and machinery at other than the designated locations.
- 12- Throwing or spreading wastes at other than the designated locations.
- 13- Delayed payment of the amounts due to the zone.
- 14- Disposal or collection of solid or liquid waste in other than the designated locations.
- 15- Possession of prohibited drugs under the laws applicable in the Sultanate.
- 16- Not reporting workers' quarrel that leads to injury or disability.
- 17- Moving or removing the machinery or any other materials, including the vehicles that cause a particular incident before the arrival of the relevant authorities.
- 18- Parking cars, heavy vehicles or containers inappropriately in other than the designated locations inside the zone.
- 19- Obstruction of movement or blocking of streets or any workplace by vehicles or machinery.
- 20- Loading passenger conveyances with more than their capacity mentioned in the license.
- 21- Non-notification of all workers' details within seven (7) days from their joining work.
- 22- Non-submission of an application to issue an entry permit for workers within the stipulated period.
- 23- Allowing workers to work for another investor.
- 24- Non-provision of the public safety conditions in the buildings.
- 25- Storage of foods in the office buildings, including those annexed to the warehouses.

- 26- Non-designation of a location to prepare and preserve foods separate from the accommodation rooms.
- 27- Non-provision of appropriate sanitary facilities for each apartment at workers' accommodation.
- 28- Non-provision of air conditioners and cooling means appropriate to the climate conditions inside the buildings.
- 29- Exceeding the capacity of workers' accommodation.
- 30- Construction of temporary residential compounds without the approval of the relevant department in the zone.
- 31- Lack of public safety conditions in the temporary accommodation compounds.
- 32- Lack of appropriate health environment in the buildings according to the standards applicable in the Sultanate.
- 33- Construction of temporary residential compounds on unleased plots.
- 34- Non-provision of a quick means of communication in the location of the temporary residential compounds.
- 35- Non-provision of an appropriate conveyance in the location of the temporary residential compounds.
- 36- Sleeping of other than the workers in the zone or individuals unauthorized to enter the zone in the workers' accommodation.
- 37- Not allowing the relevant officers to conduct the periodical inspection of the residential compounds.
- 38- Allowing men and women to mingle in the residential buildings.
- 39- Not appointing one or more supervisors for every buildings where resident workers exceed (50) fifty.
- 40- Allowing workers to sleep at other than their designated building.
- 41- Leasing the accommodation to a third party without the approval of the relevant department in the zone.
- 42- Sharing the buildings or leased plots to third parties inside the zone without taking the sub-leasing procedures.
- 43- Not updating the data on workers' accommodation.
- 44- Conducting prohibited acts inside the workers' accommodation in the zone and not taking legal measures against the violators.
- 45- Loading goods conveyances with more than their licensed capacity.
- 46- Carrying unauthorized individuals to enter the zone by public conveyances.
- 47- Preventing the staff of the Zone or any of the relevant authorities in the Sultanate from performing their job duties.

- 48- Unauthorized use of containers or mobile rooms.
- 49- Refusal to receive the warning or violation notice.
- 50- Non-rectification of the violation during the period set in the violation notice.
- 51- Working at other than official working hours set according to the laws, regulations, systems and controls applicable in the zone.
- 52- Any other violation not stipulated in any of the groups mentioned in these Regulations.

B- Group Two: it includes the following violations:

- 1- Commencing constructions before obtainment of the required permit from the relevant department.
- 2- Starting work before building a fence around the plot allocated to the project.
- 3- Possession of a commodity with unknown origin or not accompanied by the documents that indicate its source.
- 4- Using external sidewalks, pavements or street to store project materials.
- 5- Manufacturing, displaying, or selling covering materials used in counterfeiting goods or industrial products.
- 6- Implementation of construction and installation works in violation of the approved specifications and drawings.
- 7- Placing a false commercial statement on the goods, shops or covers.
- 8- Use or possession of weight or measurement devices or tools that are fake, inaccurate or illegally sealed.
- 9- Changing weight or measurement devices or tools in a way that would make them inaccurate.
- 10- Stamping metal products with false seals, selling them or other items, displaying, or possessing them for trading.
- 11- Refusal to sign the report of seizure or attachment of confiscated goods or sampling.
- 12- Non-extension of the insurance policy at least fifteen (15) business days before its expiry.
- 13- Non-renewal of license within (30) thirty days of its expiry date.
- 14- Non-submission or extension of the insurance policy on its workers that covers any damages or risks that may result from the nature of their work.
- 15- Not increasing the value of the insurance policy if the value of the incoming or stored goods in the zone exceeds the value of the policy submitted for these goods.
- 16- Not keeping the approved maps on project location.

- 17- Not placing a guiding sign that carries the name of the project owner, consultant, and the contractor.

C- Group Three: it includes the following violations:

- 1- Commencing operations in the zone before obtaining the building completion certificate.
- 2- Adding, changing or removing the leased buildings without a written approval from the relevant department.
- 3- Removing quantities of sand or rocks of the Zone for filling purposes without a written approval from the zone.
- 4- Inappropriate closure of the doors and windows of buildings or fire exits of warehouses, plants, or workshops.
- 5- Breaching the laws and regulations related to health and public hygiene in the restaurants and cafes, including the kitchens in workers' accommodations.
- 6- Causing unhealthy conditions inside or around the buildings in the Zone.
- 7- Lack or expiry of professional health card.

D- Group Four: it includes the following violations:

- 1- Practicing an unlicensed activity.
- 2- Placing or spilling non-hazardous materials on the roads or outside the boundaries of the plot allocated to the project.
- 3- Misuse of firefighting equipment (such as for cleaning or washing).
- 4- Lack of firefighting equipment.
- 5- Inefficiency of firefighting equipment.
- 6- Non-maintenance of firefighting equipment appropriately and periodically.
- 7- Inappropriateness of firefighting equipment.
- 8- Negligence in providing the conditions and requirements of public safety.
- 9- Occurrence of a minor fire because of negligence in providing the conditions and requirements of public safety.
- 10- Overload on the electrical connections or devices.
- 11- Occurrence of minor fire because of overload on the electrical connections or devices.
- 12- Occurrence of a work-related injury because of lack or insufficiency of the requirements of occupational safety.
- 13- Not obligating the workers to abide by the requirements of occupational safety during the performance of work.

E- Group Five: it includes the following violations:

- 1- Commencing operations in leased buildings and warehouses in the zone before submitting an insurance policy that covers the plants, machinery and equipment used in its operating and production processes.
- 2- Storing hazardous materials not covered by the license or disposal of or transporting them without taking the preventive measures set by the zone.
- 3- Commencing operations in the Zone before obtainment of the construction completion certificate.
- 4- Bribing any of the zone staff or exploiting them for personal purposes in favor of the working companies or individuals.
- 5- Allocating a part of the buildings or plots allocated for the establishment of investment projects for the construction of a permanent accommodation.
- 6- Provision of fake or false documents that do not reflect reality.

F- Group Six: it includes the following violations:

- 1- Opening the project location that has been closed or whose license has been cancelled.
- 2- Closing the entrances into or exits from the zone in such a manner that threatens public safety.
- 3- Placing or spilling non-hazardous materials on the roads or outside the boundaries of the locations allocated to the project.
- 4- Occurrence of a major fire because of negligence in providing the conditions and requirements of public safety.
- 5- Occurrence of a major fire because of overload on the electrical connections or devices.

Article (4)

Accumulative points shall be calculated for every violation mentioned in Article (3) above as shown in the following table:

Sr.	Group	Number of Points per Violation		
		First Time	Second Time	Third and More
1	One	1	2	3
2	Two	2	4	6
3	Three	5	7	10
4	Four	7	10	15
5	Five	10	15	25
6	Six	25	35	50

Article (5)

Accumulative points shall be calculated for every violation mentioned in Article (3) above and upon recurrence of the violation as shown in the following table:

Sr.	Group	Amount of Fine (Omani Rials)		
		First Time	Second Time	Third and More
1	One	100	150	200
2	Two	250	500	750
3	Three	500	750	1000
4	Four	1000	1500	2000
5	Five	2000	2500	3000
6	Six	3000	4000	5000

Article (6)

The accumulative points mentioned in Article (4) above shall be deleted after the lapse of the periods indicated in the table below provided the non-recurrence of the same violation during the said periods. These periods shall start from the date of discovering the violation:

Sr.	Group	Period for Deletion of Violation (in days)		
		First Time	Second Time	Third and More
1	One	90	180	270
2	Two	90	180	270
3	Three	120	240	360
4	Four	120	240	360
5	Five	180	360	540
6	Six	360	540	720

Article (7)

Without prejudice to any harsher penalty stipulated in the regulations and decisions issued in application of the Establishment System, the zone may take the following procedures against the violators:

- 1- First written warning when the accumulative points reach (25) twenty-five.
- 2- Second written warning when the accumulative points reach (50) fifty.

- 3- Third and final written warning when the accumulative points reach (75) seventy-five.
- 4- Revoke the lease contract or investment agreement and withdraw the license when the accumulative points reach (100) one hundred.

If the violator is a contractor or service provider, its permit shall be withdrawn and shall not be allowed to work in the zone.

Article (8)

The stakeholder may object in grievance to the violation within fifteen (15) days from the date of its issuance to the Director General. There shall be a decision on the grievance within (30) thirty days from its date of submission. If this period lapses with a decision, this shall be a disapproval of the grievance.

Article (9)

The Director General may reduce, as per his discretion, the amount of the fine for any of the violations mentioned in these Regulations provided it does not become lower than the minimum stipulated in the Establishment System issued by the Royal Decree 32/2015.