

How to Register a Company

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Overview

The most common corporate structures adopted in Oman are the limited liability company (LLC) and sole proprietor company (SPC).

A joint stock company either public (SAOG), listed on the Muscat Stock Exchange (MSX), Muscat Clearing and Depository Company (MCD) and Financial Services Authority (FSA) or private (SAOC), is the preferred vehicle for larger projects requiring the raising of public or private funds.

Projects awarded or concessions granted by the government of Oman must be developed and implemented by a joint stock company unless otherwise approved by the government.

Foreign investors wishing to set up business in Oman generally elect to register an Omani LLC with two or more shareholders or an SPC with a single shareholder due to the speed and ease of set-up as well as to the lesser degree of regulatory oversight and accounting requirements.

Definitions

- *CGM*: Constitutive general meeting.
- *FSA*: Financial Services Authority
- *LLC*: Limited liability company.
- *MCD*: Muscat Clearing and Depository Company SAOC.
- *MOCIIP*: Ministry of Commerce, Industry and Investment Promotion.
- *MOL*: Ministry of Labour.
- *MSX*: Muscat Stock Exchange.
- *OCCI*: Oman Chamber of Commerce and Industry.
- *ROP*: Royal Oman Police.
- *SAOC*: A closed joint stock company.
- *SAOG*: A public joint stock company listed on the MSX.
- *SPC*: Single proprietor company.

Practical Guidance

Capital requirements

- **LLC or SPC**: There is no minimum capital requirement. On the basis of the activity to be undertaken by the company the Ministry of Commerce, Industry and Investment Promotion (MOCIIP) would recommend the minimum capital. In certain instances, the minimum capital has been stipulated (i.e., in respect of a company undertaking construction activity and which intends to obtain visas for expatriate employees, it should have a minimum capital of OMR 250,000).
- **SAOC**: The minimum capital for a SAOC is OMR 500,000.
- **SAOG**: The minimum capital requirement is OMR 2,000,000 and the founders of a SAOG are required to subscribe between 30% and 60% of the capital. In case of conversion from a SAOC into a SAOG, the minimum capital may be OMR 1,000,000. Companies having the word "Oman" in their name may only be incorporated as joint stock companies.

Steps for registering a LLC

Name reservation

The MOCIIP must approve the name of the new company. Under Omani Law, a new company cannot have a name similar to that of an existing one or a name that is misleading. The name of the company must be in conformity with the company's activities. The proposed name of the new company must either reflect the name of one of its shareholders or it must have a clear meaning when translated into Arabic.

MOCIIP application

This involves preparing and obtaining several documents, including:

- **Foreign shareholder documents**. Each foreign shareholder (if a corporate entity) must provide constitutional documents, certificate of incorporation, board resolution or shareholders resolution or power of attorney. These documents will need to be apostilled or notarised, legalised and consularised in the jurisdiction of incorporation of the foreign corporate shareholder.
- **Omani shareholder documents**. Each shareholder (if a corporate entity) must provide a MOCIIP certificate of registration, Oman Chamber of Commerce and Industry (OCCI) certificate and shareholders' resolution. If the Omani shareholder is a natural person, then they must provide copy of their passport or identity cards.

- A constitutive contract which is the key constitutional document of a LLC or SPC.
- A summary of the project description.
- A bank certificate. This must be from a bank in Oman, as evidence of compliance with the LLC or SPC's capital requirements (the MOCIIP has waived this requirement in recent cases when registering a new entity).

With regard to timeframe, this takes one to two weeks approximately for preparing and finalising documents and approximately three to four working days for an approval by the MOCIIP.

Prior to making a MOCIIP application, any shareholders (who are individuals) and authorised signatories who are non-Omani and do not possess a Omani residence card, must complete the MOCIIP'S know your client (KYC) procedure via the [Oman Business Platform](#).^[1 p.6]

OCCI registration

This is the final step of the registration process and is obtained immediately on the MOCIIP completing its registration of the LLC or SPC. The following also applies:

- Timeframe: It usually takes one or two working days to obtain the OCCI certificate.
- Post registration: Once the LLC or SPC is registered, the company will need to organise and obtain:
 - Any further governmental which may be required for undertaking certain commercial activities.
 - A municipality licence.
 - Tax registration.
 - Registration with the Royal Oman Police (ROP) (civil defence).
 - Registration with the Ministry of Labour (MOL), to apply for labour clearances and industrial, environmental and other permits or licences, depending on the nature of the business.
 - At least one Omani employee within one year of the company being established.

Steps for registering a joint stock company

Name reservation

The same requirements as LLCs or SPCs above are applicable.

MOCIIP application

This involves preparing and obtaining several documents, including:

- Foreign shareholder and Omani shareholders documents. The same requirements as applicable to LLCs and SPCs apply.
- Memorandum of association and articles of association, which form a part of the constitutional documents of a joint stock company.
- Application to the MOCIIP setting out the address and the names of at least three founder shareholders committee members.
- A bank certificate, from a bank in Oman as evidence of compliance with the SAOC's capital requirements.

Constitutive general meeting (CGM)

- CGM and first board meeting: A CGM must be convened followed by the convening of a board meeting at which the chairman, deputy chairman and the secretary must be appointed.
- OCCI registration: Same as LLCs or SPCs above.
- Approvals: Same as LLCs or SPCs above.
- Timeframe: The time frame for the incorporation of a SAOC is two weeks, whereas the incorporation of a SAOG may take approximately six weeks.
- Post registration: Once the joint stock company is registered the company will need to organise and obtain:
 - Registration with the MCD.
 - Registration with the MSX.
 - Registration with the FSA.
 - A municipality licence, tax registration and registration with the ROP and MOL (same as for LLCs and SPCs above).

Additional approvals

Any company wanting to engage in business in Oman would need to select its proposed business activities from a list of activities provided by the MOCIIP.

Some activities (e.g., manufacturing activities, training centres, certain oil and gas activities) will require prior permits or approvals from the relevant Ministries prior to the registration of the company, which can take up to six weeks to procure.

For regulated activities (e.g., the provision of professional services or consultancy services), specific laws exist which govern the conduct of such professions and set out different criteria for the registration of companies in Oman.

Local ownership requirements

There is no local ownership requirement. Oman Sultani Decree No. 50/2019 On the Issuance of the Foreign Capital Investment Law has removed the requirement for having an Omani partner and shareholding restrictions on foreigners, thereby permitting wholly foreign owned Omani companies. However, some commercial activities are prohibited to be undertaken by companies which have foreign investments.

Other types of companies

- **Holding company:** A holding company may be established as a SAOC or an SAOG. The minimum capital requirement of a holding company is OMR 2,000,000. Such company's sole objective is to retain financial and administrative control of its subsidiaries and may not perform any other functions.
- **Unincorporated joint ventures:** An unincorporated joint venture can be formed by two or more corporate entities or individuals who are registered in Oman in order to form part of an unincorporated joint venture. Such joint ventures are not registerable with the MOCIIP and will not have the legal status of a business entity.
- **Free zone company:** Free zones in Oman include the Salalah Free Zone, Sohar Free Zone, the Al Mazyounah Free Zone, the Duqm Special Economic Zone (together called the "free zone area") and Knowledge Oasis Muscat (KOM). Special incentives include:
 - 100% foreign ownership.
 - No custom duties.
 - Tax exemption for 30 years.
 - No currency restrictions.
 - Exemption from municipal taxes.
 - No minimum capital requirements.
 - Minimal Omanisation requirements (e.g., 10% only in Sohar Free Zone).
 - One-stop shop services, which provide all the required registration services under the umbrella of the Free Zone Authority.
- **Representative office:** Another option is a commercial representative which is an office established in Oman to look after the interests of companies and establishments. However, representative offices cannot undertake any business themselves.

Related Content

Legislation

- Oman Sultani Decree No. 18/2019 On the Issuance of the Commercial Companies Law
- Oman Sultani Decree No. 50/2019 On the Issuance of the Foreign Capital Investment Law
- Oman Sultani Decree No. 46/2022 On the Issuance of the Securities Law
- Oman Sultani Decree No. 38/2025 On the Issuance of the Law on Special Economic Zones and Free Zones
- Oman Ministerial Decision No. 209/2020 Determining the List of Activities In Which the Practice Foreign Investment is Prohibited
- Oman Ministerial Decision No. 364/2023 Amending Some Provisions of Oman Ministerial Decision No. 209/2020

Websites

- [Oman Business Platform](#)^[1 p.6]

Authors



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Education

- Bedfordshire University, UK, Master of Laws, 2010
- Mubarak Police Academy, Egypt, Bachelor of Laws and Police Science, 2007

Memberships

- Primary Court, Oman.
- Appeal Court, Oman.
- Omani Lawyers Association.

Biography

Ahmed is a Partner in AMJ's Regulatory Team and has over the last 15 years with AMJ. Ahmed's expertise in particular, includes advising clients on foreign direct investments, company incorporations, joint ventures, initial public offerings, corporate finance, regulatory matters, listing of securities, mergers and acquisitions, registration of security documents with the concerned Government agencies and registry bodies.

Ahmed's strong working relationship within Oman's regulatory bodies, including Ministry of Commerce, Industry and Investment Promotion (MOCIIP), Financial Services Authority (FSA), Muscat Stock Exchange (MSX), and Muscat Clearing and Clearing and Depository Company SAOC (MCDC) highlight his deep understanding of the regulatory environment. His excellent rapport with officials at the FSA, MOCIIP and other regulatory authorities further enhances his ability to navigate complex regulatory matters effectively.

Ahmed's track record of success, coupled with his comprehensive understanding of corporate regulatory matters in Oman, makes him a valuable asset to clients seeking expert counsel on navigating the intricacies of the Omani legal landscape.

Notes

1. [^] [p.3] [p.4] <https://www.business.gov.om/ieasy/wp/en/>