

OMAN LEGAL COUNTRY PROFILE

LEGAL SYSTEM OVERVIEW

Legislation in Oman is based on Islamic Sharia¹ law. Oman does have its own constitution which is the Basic Statute of the State 1996. This is the first written constitution of the Oman. The judiciary was founded in Oman the issuance of the Judicial Authority Law by Royal Decree No. (90 \ 99) amended by Royal Decree No. (14\2001) and the Supreme Judicial Council was established by Royal Decree No. (9/2012).² Article 60 of the constitution states that the judiciary shall be independent.

Article 67 of the constitution provides for the establishment of the administrative judiciary. The administrative judiciary is established and regulated by Royal Decree No. 99/91 which provides for the establishment of the Administrative Court and issuing its law and was implemented as of 1/2/2000.³ The Royal Decree No. (101/96) stipulates that administrative disputes are to be settled by a special court for cases related to this area. This has created the Administrative Affairs Council of the Judiciary which headed by the Head of the Supreme Court, Vice President of the Supreme Council of the Judiciary. By establishing the administrative judiciary this has created a dual judicial system in Oman which is separate from its ordinary judiciary. The administrative judiciary provides a separation of administrative disputes, as well as guaranteeing the rights of individuals.

In 2015 the Administrative Affairs Council set up the Public Money Court that will deal with administrative and financial corruption issues.⁴ Corruption is dealt under The Omani Penal Code and the Law for the Protection of Public Funds and Avoidance of Conflicts of Interest. The government generally implements these laws effectively therefore Oman's judicial system carries a low corruption risk for companies. The courts in Oman are perceived as impartial and independent. Business executives perceive the courts to be moderately effective in settling disputes and in challenging government regulations.⁵ Enforcing contracts is less costly and less time-consuming than elsewhere in the regional.⁶ Nonetheless, enforcing contracts is a slow process⁷.

The legal system in Oman does follow commercial law drafted on the basis of international laws and principles, for the settlement of commercial and business disputes.⁸

Oman has signed several different treaties such as⁹ Convention on the Elimination of all forms of discrimination against Women- ratified 7 Feb 2006 International Convention on the Elimination of all forms of Racial Discrimination- ratified 2 Jan 2003 Convention on the Rights of the Child- ratified 9

¹ Article 2, Oman's Constitution of 1996 amended, < https://www.constituteproject.org/constitution/Oman_2011.pdf?lang=en >

² https://omanportal.gov.om/wps/portal/index/cr/justice/administrativejudiciary/lut/p/a1/hc9Nb4JAEAbgX8OxzOwu0tXbolHEwgY_cS8Gm-1KgdwBWv5-aeNFO-rc3snzJiOgIANV5V-FydvCVnn5k5V_kCnxSShxiZMNQRHiOpXBIHKP9GdfA_xnBD7r70DdEs6TnhAaeDHBuI8cXAHDGalczuOxWA6QRiQJ0teE4gbvwWldC6RsO42Gbzb6bTLwreHDkSlcQgTKIPf4-vRFvkXEDqtYfuta1-1n361PbXpgRgw52Xecaa02p3Xd7dvCvysk2LWS3Ei7nDiv5y2zHG_ENC6zuQJ!!/dl5/d5/L0IDU0IKSWdrbUEHIS9JRFJBQUlpQ2dBek15cXchLzRKQ2hEb01kdEJnY2huQVZHRUEhL1o3X09RMTYxSE8wS09OVTewQUgwVFFPQkYyOEK2LzA!/?WCM_PORTLET=PC_Z7_OQ161HO0KONU10AH0TQOBF28I6000000_WCM&WCM_GLOBAL_CONTEXT=/wps/wcm/connect/EN/site/home/cr/cr1Jus/cr24/

³ https://www.oman.om/wps/portal/index/cr/justice/judiciallaws/lut/p/a1/hc_LboMwEAXQr2HLDDahTncmKCGk4NK8wJuirRNBahwZwvr5pVE2qfqY3R2dK82AhAxkW7xXqugr3Rb1V5beQaS054QCvYLZOshD3KTCnxO2dkeQjwB_GY7_9deFgT3le8ZYmJKH-G5Md8QNJzdAcYEopst4xl8mSCKs-OIDQnCL38FqE3MkdDePpk8eDQL3Bv44NAKpan28Pp3z9kiZAmnK19KUxn4z4_rc95fu0UIlh2GwldaqLu2Tbiz8qXLWXQ_ZvYRLk30sq-dmzr-CsvO7L8!/dl5/d5/L0IDU0IKSWdrbUEHIS9JRFJBQUlpQ2dBek15cXchLzRKQ2hEb01kdEJnY2huQVZHRUEhL1o3X09RMTYxSE8wS09OVTewQUgwVFFPQkYyOEK2LzA!/?WCM_PORTLET=PC_Z7_OQ161HO0KONU10AH0TQOBF28A4000000_WCM&WCM_GLOBAL_CONTEXT=/wps/wcm/connect/AR/site/home/cr/cr1Jus/cr26/

⁴ Oman Judiciary: Public Money Court set up to deal with corruption issues, 16th November 2015, <https://timesofoman.com/article/71884>

⁵ Oman Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/oman/>

⁶ Oman Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/oman/>

⁷ Oman Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/oman/>

⁸ <http://www.rashmurk.com/omanlaws.html>

⁹ https://tbinternet.ohchr.org/_layouts/15/TreatyBodyExternal/Treaty.aspx?CountryID=130&Lang=EN

Dec 1996 Optional Protocol to the Convention on the rights of the child on the involvement of children in armed conflict- ratified 17 Sep 2004.

Article 72 of the Constitution places the treaties and agreements signed between Oman and other States and international bodies and organizations above the Constitution, since it provides that it “shall not prejudice”¹⁰ any treaties or agreements. Article 79 of the constitution states that the “Laws and procedures which have the force of Law must conform to the provisions of the Basic Statute of the State”.¹¹ In addition, article 80¹² provides that no authority in the State may issue rules, regulations, decisions or directives that go against the laws and decrees which are in force, or international treaties and agreements which are part of the countries laws.¹³

Oman also known as The Sultanate of Oman is a middle eastern country which shares land borders with the United Arab Emirates to the north, Saudi Arabia to the west and Yemen to the south. Oman is located on the southern-eastern part of the Arabian Peninsula. The capital of Oman is Muscat and its official language is Arabic while English is the second most widely spoken language. Oman has a population of 4.9 million making it the 122th populated country.¹⁴ The official religion is Islam, where the majority of the population follows Ibadi Islam¹⁵ and the minority follow Sunni Islam or Shi’a Islam.

The ruler of Oman is His Majesty Sultan Qaboos Bin Said who took over from his father Said Bin Taimur in a bloodless coup in 1970 with the help of the British.¹⁶ After the coup Sultan Qaboos Bin Said brought major changes to the country as by 1980 363 schools were built, 12,000km of road was built and 28 hospitals were built.¹⁷ However, till this date there is no freedom of press. Oman has an absolute monarchy and the laws reflect this. Article 29,30 and 31 of the Basic Law allows for freedom of expression of the press but limits the material that lead to “public discord, violates the security of the state, or abuses a person’s dignity or rights”.¹⁸ Oman’s 1984 Press and Publications Law is one of the most restrictive statutes of its kind in the Arab world, and ensures that the media remain censored and subdued.¹⁹ Oman ranks 132 on the Reporters without borders index and ranked 127th in 2018²⁰. This restrictive nature of the press in Oman is reflected on the closure of the *Azamn* newspaper. It was initially shut down in August 2016 and permanently closed with a Supreme Court ruling in October 2017.²¹

BUSINESS OVERVIEW

Since the discovery of oil in 1967 Oman heavily relies on oil production, crude oil, refined petroleum, and natural gas account for most exports. The petroleum sector accounts for around 87 percent of budget revenues, 51 percent of GDP and 60 percent of total exports.²²

However, as oil reserves have been shrinking in recent years the government has embarked on a process of economic diversification focused on development of tourism and gas-based industries.²³

¹⁰ Article 72, Oman’s Constitution of 1996 amended, < https://www.constituteproject.org/constitution/Oman_2011.pdf?lang=en >

¹¹ Article 79, Oman’s Constitution of 1996 amended, < https://www.constituteproject.org/constitution/Oman_2011.pdf?lang=en >

¹² Article 80, Oman’s Constitution of 1996 amended, < https://www.constituteproject.org/constitution/Oman_2011.pdf?lang=en >

¹³ <https://www.nyulawglobal.org/globalex/Oman.html>

¹⁴ <https://www.worldometers.info/world-population/population-by-country/>

¹⁵ <https://www.intelligent-protection.co.uk/oman-country-brief.html>

¹⁶ <https://www.theguardian.com/uk-news/2016/sep/08/britains-secret-wars-oman>

¹⁷ In the Time of Oil: Piety, Memory, and Social Life in an Omani Town, Mandana Limbert, California Stanford University Press 2010, Chapter 1, Page 5 and 6

¹⁸ <https://freedomhouse.org/report/freedom-press/2015/oman>

¹⁹ <https://freedomhouse.org/report/freedom-press/2015/oman>

²⁰ <https://rsf.org/en/ranking>

²¹ <https://ochroman.org/eng/pressfreedom/>

²² <https://tradingeconomics.com/oman/gdp-growth-annual>

²³ <https://tradingeconomics.com/oman/gdp-growth-annual>

To promote international trade in Oman the Knowledge Oasis Muscat is supposed to offer incentives to foreign investment.²⁴ Oman has 4 free zones at Al Mazunah, Duqm SEZ, Sohar and Salalah.²⁵

Oman's major trading partners are China, Japan, Saudi Arabia, India, and the United Arab Emirates.²⁶ In 2000 Oman became a member of the World Trade Organization.

In January 2018 Oman has introduced a visa ban for expats for a six-month period for certain industries.²⁷ The ban is for people working in the construction and cleaning industries and this ban has been extended twice. The visa ban has resulted in 64,386 Omanis being hired in private sector companies and establishments and 4,125 more in government agencies.²⁸

²⁴ Working in Oman, <https://www.internations.org/oman-expats/guide/working-in-oman-15748>

²⁵ Working in Oman, <https://www.internations.org/oman-expats/guide/working-in-oman-15748>

²⁶ Oman, Encyclopaedia Britannica, <https://www.britannica.com/place/Oman/Cultural-life>

²⁷ Oman extends expat visa ban, Arab News, <http://www.arabnews.com/node/1489166/business-economy>

²⁸ Expat population in Oman at a 4-year low, International Investment, 28 Feb 2019, <https://www.internationalinvestment.net/news/4001138/expat-population-oman-low>