

Law No. 36 of 2005

Establishing a Free Zone for Qatar Science and Technology Park*

We, Tamim bin Hamad Al Thani,

Deputy Emir of Qatar,

Having perused the Constitution,
Decree-Law No. 16 of 2003 pertaining to the establishment of a Free Zone for Qatar
Foundation for Education, Science and Community Development and related projects,
The draft law presented by the Council of Ministers,
And having consulted the opinion of the Shura Council,
Hereby promulgate the following law:

Chapter One

Definitions

Article 1

In the application of the provisions of this Law, the following words and expressions shall have the meanings assigned to each, unless the context requires otherwise:

“Foundation”: means Qatar Foundation for Education, Science and Community Development;

“Science and Technology Park”: means a scientific centre affiliated to the Foundation;

“Free Zone”: means the free zone at the Science and Technology Park

“Board”: means the board of directors of the Science and Technology Park

“Customs Zone”: All the State's land and territorial sea except for the Free Zone of the Science and Technology Park and other free zones;

“Investment”: means the establishment and operation of a project including one or more of the following activities: research and development, product development, technical training, technical advice, the establishment of companies for the aforesaid purposes or the delivery of services to support those who undertake the aforesaid activities;

“License”: means the license granted by the Board for any project to carry out an activity in the Free Zone;

“Bylaws”: means the Free Zone bylaws declared by that the Board of Directors with regard to investment, licensing procedures, fees and other regulatory matters in the Free Zone.

Chapter Two
Establishment and Management of the Free Zone

Article 2

There shall be established an investment Free Zone for Qatar Science and Technology Park. Its borders and coordinates shall be determined according to the maps and the regulatory and cadastral charts attached to this Law.

The borders of this zone may be amended upon a resolution of the Council of Ministers.

Article 3

The Free Zone aims to promote and support scientific, applied and technological research and undertaking investment activities to serve the objectives of the Science and Technology Park.

Article 4

The Free Zone shall be managed by the Board of Directors of the Science and Technology Park.

Article 5

In addition to the powers and authorities determined by the foundation, the Board shall undertake management of the Free Zone and realization of its objectives and in particular the following:

1. The issuance of the organizational structure of the Free Zone, and the necessary bylaws for the management of the zone.
2. Issuing bylaws concerning licenses within the Free Zone, without adherence to government rules and bylaws. The Board may issue bylaws to regulate work procedures between projects in the Free Zone and other relevant authorities in the State, and in particular the Ministries of Economy and Commerce, Finance, Interior and the Ministry of Municipal Affairs and Agriculture regarding the issuance of building permits in coordination with the said authorities;
3. Issuing incorporation certification and registration of companies and their subsidiaries and other entities that seek to obtain licenses in the Free Zone;
4. Issuing the necessary licenses for practicing activities in the Free Zone;
5. Concluding contracts and agreements related to the Free Zone; and
6. Establishment of companies that contribute to the achievement of the purposes of the Free Zone.

Chapter Three
Procedures within the Free Zone

Article 6

Requests for licensing of permitted activities in the Free Zone shall be submitted to the Board of Directors, in accordance with the regulatory bylaws of the Free Zone.

Article 7

It shall be prohibited to exercise any activity within the Free Zone until after obtaining a license from the Board of Directors, in which case the activity shall be exercised within the scope of the license.

Article 8

One or more non-Qatari persons, whether natural or legal, may own a project licensed to exercise an activity within the Free Zone.

Article 9

Certificates of incorporation and registration of companies and subsidiaries and the licenses issued by the Board for any project, shall be recognized by all competent authorities in the State, and in particular the Ministries of Economy and Commerce, Finance, Interior and the General Authority for Customs and Ports, if signed by the authorized person in the Board, and sealed with the seal of the Foundation.

Article 10

The Board of Directors may withdraw the license in the event of the licensee's breach of any of the conditions of the license or the elapsing of a period of six months from the date of license issuance of the without starting the implementation of the licensed activities.

Chapter Four
Privileges and guarantees

Article 11

Goods, materials, instruments, tools, equipment and means of transport imported from abroad, for use in the Free Zone project by a licensed project, shall not be subject to customs duties or other charges.

Article 12

Goods and products manufactured in the Free Zone shall not be subject to customs duties on exports.

Article 13

Goods emerging from the Free Zone to the Customs Zone shall be deemed as imported from abroad for the first time. Customs tariffs shall be imposed on such goods, according to the customs tariff and applicable procedures.

Article 14

Projects licensed to engage in activities in the Free Zone and the employees thereof shall be exempted from all taxes, including income tax, in relation to activities carried out in the Free Zone.

Article 15

The property and activities of a licensed project shall not be subject to any confiscation procedures or restrictions related to the return of capital, profits and salaries in any currency to any place outside the Free Zone. Trading or keeping foreign currency shall not be subject to any restrictions in the Free Zone during the period of implementation of activities therein.

It shall be prohibited to sequester the funds of projects licensed in the Free Zone, except under a judicial verdict.

Article 16

Projects licensed to exercise activities in the Free Zone, may sponsor or employ any person to engage his assistance in the conduct of its activities in the Free Zone, pursuant to the following:

1. Taking into account the priority of recruitment of Qataris in order to continue the Qatarisation policy, which the State seeks to achieve;
2. Non-compliance with labour gender or the proportional quotas for non-Qatari labour, which are applied in the State, provided that such employment shall not belong to any country which the State of Qatar has decided not to bring employment therefrom; and
3. Non-compliance with the elapsing of a certain period of work by non-Qatari labour when transferring their sponsorship to licensed projects, and such in coordination with the Ministry of the Interior.

Chapter Five
Obligations of Licensed Projects

Article 17

Projects licensed to exercise activities in the Free Zone, shall be committed to comply with the following:

1. Restrict their activities within the scope of the license granted to it, and not to engage in any other activity until after licensing it;
2. Provide any documents, records or accounts required by the Board of Directors for carrying out any statistical operations;
3. Observance of laws and rules, bylaws and instructions regulating work in the Free Zone or required for the protection of public order and morals or for providing security within the Free Zone;
4. Notifying the Board in writing of the cessation or termination of a licensed project, at least six months prior to the date of cessation or termination; and
5. The payment of any fees or expenses required by the license issued for the project.

Article 18

Entry of the following goods into the Free Zone shall be prohibited:

1. Flammable goods and commodities;
2. Radioactive substances;
3. Weapons, ammunition and explosives of various types;
4. Goods in violation of State laws relating to the protection of the literary, artistic, industrial and commercial rights of intellectual property;
5. All kinds of narcotics and their derivatives;
6. Incoming goods from any country economically boycotted by the State of Qatar; and
7. Any other goods whose entry to the State is prohibited.

However, any of the aforesaid goods may be allowed to enter, provided that a prior license is obtained from the competent government authorities, and a prior written consent is obtained from the Board, in addition to the implementation of any conditions determined by the Board in respect of the said consent.

Article 19

The following shall be prohibited within the Free Zone:

1. Engaging in any profession or vocation within the Free Zone without prior license from the Board of Directors;
2. Using the license of a particular project to establish another project;
3. A project owner's assignment of the license granted to him for the benefit of another party without the prior consent of the Board; and
4. Carrying out any activities or acts contrary to public order or public morals in the State.

Article 20

In the event of the issuance of a license for a project prior to the availability of buildings within the Free Zone, the Board may grant the project a temporary license to operate outside the Free Zone while deeming the said project, within the limits of that license, to be operating within the Free Zone for the purposes of this Law and its implementing bylaws. The said license shall be limited to the use of specific types of work and locations thereof by the project, in coordination with the competent authorities.

Chapter Six

Regulating Relationship with other Legislation

Article 21

1. Save as otherwise stipulated in this Law, the establishment and organization of companies or registering branches for entities seeking to obtain licenses in the Free Zone and the management of the said projects in the Free Zone, shall be exclusively and regularly subject to the provisions of this Law and its implementing resolutions ;
2. In the case of licensing to engage in any activity in the Free Zone for any person, company, branch or other entity, in accordance with this Law, it shall not be required to obtain an additional license, approval, consent, membership or registration in the State to exercise the licensed activity in the Free Zone;
3. The Approval, authorization, licensing, supervision or regulation of any activity carried out by any person, company, branch or other entity licensed in accordance with this Law and its executive resolutions, shall be beyond the scope of competence of other authorities in the state and in particular the Ministry of Economy and Commerce, the Commercial Register Office, the Chamber of Commerce and Industry of Qatar and Doha Municipality.

Article 22

1. The criminal laws and sanctions in force in the State of Qatar shall be applied in the Free Zone. However, exercising any licensed activity in the Free Zone in accordance with the license issued under this Law and its implementing resolutions, shall not constitute a breach or violation of any criminal or other law applicable in the State;
2. Subject to the provisions of the preceding paragraph, the laws, rules and civil regulations of the State, shall be applied in the Free Zone, including, but not limited to, contracts, transactions or agreements concluded in the Free Zone between entities established therein or between entities, employees and contractors dealing with them, except for such laws, rules and civil regulations as may be excluded by or contrary to the bylaws; and
3. Subject to any provision in this Law which is contrary to any other law or bylaws in the State, the Board of Directors may grant visas, permits and other related or required documents for employment in any licensed activity within the Free Zone, and such in coordination with the Ministry of Interior.

Chapter Seven

Sanctions

Article 23

Without prejudice to any stricter penalty stipulated in any other law, any person who enters into the Free Zone or deals within its scope in any of the prohibited goods referred to in Article 18 of this Law, shall be penalised with imprisonment for a term not exceeding one year and a fine not exceeding Ten Thousand Riyals (QR 10,000) or either penalty.

Article 24

Any person who practices an activity in the Free Zone without a license shall be penalised with imprisonment for a period not exceeding six months and a fine of no less than Five Thousand Riyals (QR 5,000), or either penalty, pursuant to the provisions of this Law.

Article 25

The Free Zone employees who are duly authorised upon a resolution of the Attorney General, in agreement with the Chairperson of the Board, shall be accorded the status of judicial control officers in seizure and establishment of evidence of crimes that are committed in violation of the provisions of this Law and its implementing bylaws and resolutions.

Article 26

The Board shall issue the bylaws and resolutions necessary for the implementation of the provisions of this Law.

Article 27

The aforesaid Decree-Law No. 16 of 2003 shall be repealed.

Article 28

All competent authorities, each within their jurisdiction, shall enforce this Law, which shall be published in the Official Gazette.