



**Bureau of Experts at the Council of Ministers
Official Translation Department**

**Amended Controls for Exemption of Industry Inputs from Customs Taxes
(Duties) in GCC States 2023**

Council of Ministers Resolution No. 919
May 7, 2024

Translation of Saudi Laws

NOTES:

1. This translation is provided for guidance. The governing text is the Arabic text.
2. The translation of Saudi laws takes the following into consideration:
 - Words used in the singular form include the plural and vice versa.
 - Words used in the masculine form include the feminine.
 - Words used in the present tense include the present as well as the future.
 - The word “person” or “persons” and their related pronouns (he, his, him, they, their, them, and who) refer to a natural and legal person.



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Amended Controls for Exemption of Industry Inputs from Customs Taxes (Duties) in GCC States 2023

Article 1: Definitions

1. **GCC:** Cooperation Council for the Arab States of the Gulf.
2. **GCC States:** GCC Member States.
3. **State:** A GCC Member State.
4. **Industrial Cooperation Committee:** Ministerial committee in charge of industry affairs in GCC States.
5. **Financial and Economic Cooperation Committee:** Ministerial committee in charge of financial affairs in GCC States.
6. **Competent Minister:** Minister of Industry or the minister in charge of granting customs exemptions.
7. **Competent Authority:** Ministry, authority, or the entity concerned with industry affairs in any GCC State.
8. **Customs Taxes (Duties):** Amounts collected on goods in accordance with the GCC Unified Customs Law.
9. **Industrial Facility:** Any site where a licensed industrial project is carried out.
10. **Industrial Project:** Any economic activity the primary purpose of which is to manufacture products, totally or partially, through the conversion of primary raw materials or previously converted materials into finished, semi-finished, or intermediate products, or converting semi-finished or intermediate products into finished products, including processes of mixing, separating, shaping, reshaping, assembling, packing, and packaging, provided that most or some of such processes are mechanically performed; it also includes know-how and environmental industries.
11. **Industrial License:** A certificate granted by the competent authority permitting its holder to establish, implement, and operate an industrial project in the field specified by the license.
12. **Industry Inputs:** Production inputs, including machines, equipment, spare parts, primary raw materials, finished and semi-finished materials, and packing and packaging materials required for industrial production.

Article 2: Industrial Facilities Exempted from Customs Taxes (Duties)

Industrial facilities holding an industrial license issued by the competent authority under the GCC Unified Industrial Regulatory Law shall be exempted from customs taxes (duties) with regard to the industry inputs referred to in Article 3 of these Controls.

Article 3: Exempted Materials and Exemption Period

1. Industry inputs shall be exempted from customs taxes (duties) throughout the validity period of the industrial license as per the licensed production capacity.
2. Industry inputs shall be classified in accordance with the Harmonized System (HS) Code in force in the GCC Customs Union.
3. A customs exemption shall be effective for a specified period pursuant to the procedures of each state and may be renewed as determined by the competent authority.
4. The entity granting the exemption may visit the industrial facility applying for customs exemption.



Article 4: Procedures for Exemption from Customs Taxes (Duties)

1. Exemption of industry inputs shall be made in accordance with the following procedures:
 - a) An industrial facility shall apply to the competent authority for an exemption of the required quantities from customs taxes (duties) in accordance with the Harmonized System of GCC States indicated in Form (A) and the approved forms used for each state.
 - b) The lists of exempted industry inputs shall be renewed in accordance with the applicable procedures of each state.
 - c) The information required in Form (A) or the approved forms used by each state as well as the lists of imports sought to be exempted from customs taxes (duties) shall be completed in Arabic or English.
 - d) The competent minister or his designee shall approve the application for exemption from customs taxes (duties) provided for in paragraph (a) based on which the industrial facility obtains exemption for its imports and the quantities required for industrial production.
 - e) The customs departments of the state shall admit the materials exempted from customs taxes (duties) upon the approval of the application by the competent minister or his designee.
2. Exemption of industrial facilities from customs taxes (duties) for shipments entering the country from a point of entry other than that of the state granting the exemption shall be made in accordance with the following procedures:
 - a) An industrial facility shall apply to the competent authority for customs exemption for industrial facility imports in ample time as specified by the competent authority of each state, using Form (B), which includes the facility's name, industrial license number, industrial registration number, bill of lading, product description and quantity, country of origin, invoice number, value, and supporting documents.
 - b) Upon approval of the competent authority, Form (B) shall be submitted to the customs port through which the exempted shipments are to be imported, other than the port of the state granting the exemption for completion of the exemption procedures.
 - c) Customs ports in GCC States through which goods are imported shall facilitate the entry of imports for which a customs exemption certificate is issued by the competent authority in any of the GCC States.

Article 5: Increasing Quantity of Exempted Materials

Subject to the provisions of Article 4(1) of these Controls, an industrial facility may submit an application to the competent authority to increase the quantity of the exempted materials provided for in Article 3 of these Controls, using Form (A) or the approved forms used in each state according to the licensed capacity. Said exemption shall take effect immediately as of the date the application is approved.

Article 6: Amendment or Addition to the List of Exempted Materials

Subject to Article 4(1) of these Controls, an industrial facility may amend the list of exempted materials provided for in Article 3 of these Controls or add new items thereto by applying to the competent authority for customs exemption using Form (A).



Article 7: Obligations

The owner of an industrial facility shall, in terms of exemption from customs taxes (duties), abide by the following:

- a) The competent authority shall have the right to request, on an annual basis, the submission of the balance sheet, and final accounts (trading, profits, and losses) for the ending fiscal year, provided that said documents are certified by an auditor registered in the state where the industrial facility is domiciled.
- b) The use of the industrial facility's exempted materials shall be used only for the purposes for which the exemption was granted.

Article 8: General Provisions

1. The Financial and Economic Cooperation Committee may, in coordination with the Industrial Cooperation Committee, interpret and amend these Controls.
2. These Controls shall be reviewed upon the lapse of three years from the date of their approval by the Financial and Economic Cooperation Committee, or whenever the need arises.
3. The competent authority's employees may conduct field inspection visits to verify the compliance of the industrial facility with the provisions of these Controls.
4. The provisions of the GCC Unified Industrial Regulatory Law and its Implementing Regulations shall be applied if the industrial facility violates the provisions of these Controls.

Article 9: Forms and Records Necessary for the Application of these Controls

1. Form (A): Application for Exemption from Customs Taxes (Duties), Attachment (No. 1)
2. Form (B): Certificate of Customs Exemption for the Industrial Facility Imports, Attachment (No. 2)



Attachment (No. 1)

Form (A)

Application for Exemption from Customs Taxes (Duties)

Type of Application:

☐ **Basic**

☐ **Expansion/Addition**

☐ **Reconsideration**

I. General Information on the Industrial Project (Facility):

1. Name of the Industrial Project (Facility):

2. Manager's Name:

Nationality:

3. Legal Form:

4. Address:

• Management: P.O. Box:

Postal Code

Tel:

Fax:

• Factory: P.O. Box

Postal Code:

Tel:

Fax:

• E-mail:

5. Location:

6. Industrial license No.:

Date:

7. Industrial Registration No.:

Date:

8. Commercial Registration No.:

Date:

9. Actual Production Date:

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II. Information on Project Products:

Serial No.	Products	HS Code	Unit of Measurement	Annual Production Quantity



III. Machinery, Equipment, and Spare Parts Necessary for the Project Sought to be Exempted from Customs Duties

Serial No.	Machinery, Equipment, and Spare Parts (*)	Number	Unit of Measurement	Value ()	Source

* Additional sheets shall be attached for more details if necessary.



IV. Primary Raw Materials, Semi-Finished Materials, and Packing and Packaging Materials Necessary for the Project Sought to be Exempted from Customs Duties:

Serial No.	Description (*)	HS Code	Unit	Quantity Required per Year	Source

* Additional sheets shall be attached for more details if necessary.



Attachment (No. 2)

Form (B)

GCC

Seal

State

Seal

Certificate of Customs Exemption for Industrial Facility Imports

No.:

Date:

1. Facility's Name:

4. Commercial Registration No.: Date:

2. Industrial license No.: Date:

5. Exemption Reference No.:

3. Industrial Registration No.: Date:

6. Bill of Lading No.:

Serial No.:	Description:	HS Code	Unit	Quantity	Country of Origin	Invoice No.	Value in Original Currency	Value in Local Currency