



Bonded Zones Rules

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Introduction

The Common Customs Law of the GCC States was issued under Royal Decree No. (M/41) dated 03/11/1423 H, which unifies the customs procedures and laws in the GCC states in accordance with the provisions of the customs international conventions. The Law addressed an array of customs procedures, including bonded zone rules and conditions.

These Rules aim to outline the statutory provisions for licensing of bonded zones and for practicing the activities within these zones, as well as specify the obligations of operators and ZATCA control and supervisory functions pertaining to the bonded zones.

Bonded zones are a special customs system through which movement of goods and trade is facilitated as they are zones designated to accommodate the goods under suspension of customs duties and taxes, as well as under supervision and control of Zakat, Tax and Customs Authority (ZATCA) and under management of entities licensed to operate the zone or warehouse. It is permitted to keep the goods in these zones under suspension of customs duties and taxes until they are entered into the local market or re-exported. Bonded zones aim to provide an environment supports movement of goods and logistics in the Kingdom and facilitate the trade in order to promote the Kingdom's position to become a global logistics hub. Bonded zones' benefits include, inter alia, the following:

1. Promoting commercial activity through bonded zones and re-exporting to neighboring countries.
2. Increasing flexibility of clearance, storage and re- exporting to different destinations, and providing several options for importers and exporters.
3. Increasing liquidity management flexibility.
4. Facilitating import and export procedures for shipments received in bonded zones and raising efficiency of trade exchange.
5. Enabling non-resident merchant to carry out activities within the bonded zones without requiring a commercial register.



Chapter I: Introductory Provisions

Article (1): Definitions

The following words and phrases, wherever mentioned herein, shall have the meanings ascribed thereto hereunder unless the context indicates otherwise:

ZATCA: Zakat, Tax and Customs Authority.

Board: ZATCA Board of Directors.

Governor: Governor of ZATCA.

Common Customs Law "Law": The Common Customs Law of the GCC States issued under Royal Decree No. (M/41) dated 03/11/1423 H.

Implementing Regulations: The Implementing Regulations of the Common Customs Law issued under the Ministerial Resolution No. (2748) dated 25/11/1423 H.

Rules: Bonded Zones Rules.

Bonded Zones: Zones where goods are placed under suspension of customs duties and taxes, and include one or more warehouses in which the activities described herein are carried out depending on the zone type. They are managed by the operator under ZATCA's supervision and control.

Goods: Any natural material or any animal, agricultural, industrial, or intellectual product.

Customs Duties: Amounts levied on goods under the provisions of the Common Customs Law.

Taxes: Indirect taxes levied on imported goods, subject to the provisions of "Suspension of Tax" set out in the Common VAT Agreement, the Common Excise Tax Agreement, and the relevant laws and regulations.

Entity: The legal establishment applying for a bonded zone operation license.

Operator: The establishment licensed by ZATCA to carry out the activities necessary for management and operation of the bonded zone.



License: A document issued by ZATCA to authorize an operator to carry out licensed activities in certain bonded zone(s) in accordance with the terms and conditions of the license granted thereto.

Bonded Zone License: The license issued by ZATCA for operation of a bonded zone in which storage, handling and value-added operations are permitted.

Specialized Bonded Zone License: The license issued by ZATCA for operation of a bonded zone in which storage, handling of goods and practice of specialized activities are permitted.

Bonded Tank Zone License: The license issued by ZATCA for operation of a bonded zone with tanks holding liquid petroleum and petrochemical derivatives and bulk products.

Temporary Bonded Zone License: The license issued by ZATCA for operation of a bonded zone where all activities allowed in all bonded zones are permitted, and these zones are used for a specific period as determined by the Rules.

Infractions: Any violation of the provisions of the Rules, as well as the violations provided for in the Common Customs Law and its Implementing Regulations, and all guides and decisions issued by ZATCA.

Value-Added Operations: The operations necessary to preserve the goods and improve their marketing quality, including but not limited to: "Packaging, repackaging, coding, sorting and labeling."

Storage and Handling: procedures performed on goods within Bonded Zones, including safekeeping and storage in designated warehouses, as well as loading, unloading, organizing, sorting, and other necessary operations to preserve the goods without altering their nature or condition, in accordance with the Law and these Rules.

E-Commerce: Activities involving the sale, marketing, and receipt of purchase orders for goods stored in Bonded Zones through electronic channels or digital platforms.

Maintenance: Damaged goods and products, whether originating inside or outside the Kingdom, may be admitted into Bonded Zones for repair. Customs duties shall be levied on any parts used during the maintenance process, and these duties must be collected when the repaired goods are released from the Bonded Zone into the local market.

Simple Assembly Operations: Activities undertaken to collect, assemble, or arrange components or packages of finished or semi-finished products into a single product, provided that such activities do not alter the nature of the goods, their essential characteristics, or their customs tariff classification.



Mixing and Combination: Activities involving the mixing or combining of identical or similar goods to consolidate them into a single shipment or package, provided that such activities do not alter the nature of the goods, their essential characteristics, or their customs tariff classification.

Approved Entry/Exit Form: A form approved by ZATCA for the entry and exit of goods from Bonded Zones, containing the identifying particulars of the goods

Article (2): Application Scope

Without prejudice to ZATCA's right for supervision and control over bonded zones and warehouses managed by other public agencies and the relevant applicable laws and regulations, all operators, entities and parties concerned with operation and practice of activities in bonded zones in the Kingdom shall be subject to these Rules, as well as shall, in accordance herewith, fulfill the requirements and obtain the necessary approvals from ZATCA and the site owner and any requirements provided for by ZATCA in these Rules before and during operation.

Article (3): Bonded Zones and Warehouse Establishment

Bonded zones shall be established inside or outside the customs zone under a decision issued by the Governor.

Chapter II: Licensings and Activities

Article (4): Financial Fees

The fees for customs services provided within Bonded Zones shall be determined under a decision issued by the Board.

Article (5): Bonded Zones Licensing and Activities

The entity applying for a license shall determine the type of the bonded zone it desires to manage according to the following:

1. Bonded Zone License, which includes the following activities:

- (a) Storage & Handling.
- (b) Value-Added Operations.
- (c) E-Commerce.
- (d) Maintenance.
- (e) Simple Assembly Operations

2. Bonded Tank Zone License, which includes the following activities:

- (a) The activities set out in Paragraph (1) of this Article.
- (b) Storage of liquid petroleum and petrochemical derivatives and bulk products.
- (c) Mixing & Combination.



Article (6): License Application Requirements

The following basic requirements shall apply when submitting an application for a license through ZATCA's approved channels and forms.

1. The application for obtaining the license shall be submitted through the channels and forms authorized by ZATCA.
2. The applicant entity's shall have a unified national number for the commercial registry or a unified national number for the entity.
3. A valid commercial register, including the type of activity, for the entity shall be submitted.
4. Proof of property ownership or a lease agreement executed with the property owner must be provided. The lease term shall not be less than the license period, and the property owner must expressly consent to the use of the leased property as a Bonded Zone.
5. The approvals necessary to carry out activities shall be obtained from the competent authority as per their purview.
6. The necessary construction approvals and licenses for the zone or warehouse shall be obtained from the competent authority.
7. Engineering plans shall be submitted as per the technical standards approved by ZATCA.
8. A documentary guarantee for fulfillment of all financial obligations shall be provided, including a pledge to pay all taxes and customs duties which will be suspended, taking the following into account:
 - (a) The operator shall be assessed on a periodic basis to ascertain its compliance with ZATCA's requirements and regulations.
 - (b) ZATCA may require a bank guarantee in the fixed amount of 1,000,000 SAR (one million Saudi Riyals) for a period exceeding the license term by one (1) year, in cases where violations of the Rules or ZATCA's laws and regulations are identified.

Article (7): Application Review

1. ZATCA shall review the license application and verify all the requirements provided for in the Rules. In case the basic requirements are fulfilled, the entity shall be granted an initial approval under which the necessary operation conditions and specifications shall be met.
2. In case the entity does not meet a condition and a requirement necessary for operation, it shall be notified of meeting such requirement within the period specified in the notice. In case of non-compliance with the conditions and specifications or corrective steps, subject of the notice, the initial approval shall be revoked and the application shall be rejected, with an explanation of the rejection reasons, and the concerned party shall be notified to that effect in accordance with the mechanism approved by ZATCA.



3. In case all conditions and specifications necessary for operation are met, the entity shall be notified of the final approval for granting the license which authorizes the entity to begin operation and management of the bonded zone.

Article (8): License Validity and Renewal

Notwithstanding the provisions of Article (7) hereof:

1. ZATCA shall grant the license as per its approved form and it shall be in the name of the entity for a maximum period of ten (10) years starting from the date of issuance. Such license shall be limited to the site approved by ZATCA.
2. The license may be renewed for another or similar period, under the following conditions:
 - (a) The renewal application shall be submitted ninety (90) days prior to the expiry date of the license.
 - (b) There shall be no outstanding dues owed by the operator to ZATCA

Chapter III: Requirements and Specifications

Article (9): Requirements and Specifications

The bonded zone operator shall adhere to the following requirements:

1. The bonded zones shall be tightly controlled from all directions, along with gates under control of the competent customs zone, according to the nature of each zone.
2. The bonded zones shall contain service facilities, offices, and places suited to carry out customs procedures, along with spaces where customs procedures can be concluded, and shall also provide a suitable work environment for ZATCA's employees in accordance with the requirements set by ZATCA.
3. Should the operator desires to store chemicals, hazardous materials and any goods of a special nature, warehouses with specifications appropriate for storage of such materials shall be designated, taking into account the relevant laws, regulations and instructions.
4. ZATCA may require that zones and warehouses be organized to avoid mixing of incoming and outgoing shipments and may also require the allocation of a designated zone or warehouse with sufficient space for seized goods according to the specifications determined by ZATCA.



5. The operator shall provide security systems in bonded zones and complete the technical connectivity and integration procedures in accordance with ZATCA's requirements.
6. The zone and warehouses shall be equipped with all services and safety gears in accordance with the procedures, instructions and specifications issued by the relevant public agencies, taking into account the proper storage requirements according to the nature of the goods stored in the zone.
7. The operator shall obtain ZATCA's approval in case it desires to make changes or expand the existing bonded zones or make changes in the engineering plans after being approved.
8. All security vulnerabilities shall be addressed by the operator as may be determined by ZATCA.
9. The operator shall observe the requirements of environmental laws and regulations in case the activities carried out or the goods stored may cause dangers and adverse effects on the environment.

Article (10): Entry to Bonded Zones

1. To enter a bonded zone, the necessary permits shall be obtained from ZATCA and a security check shall be conducted for:
 - (a) Employees and visitors;
 - (b) Customs brokers; and
 - (c) Employees of other government entities to perform their duties, according to their respective jurisdictions
2. The necessary permits shall be obtained from ZATCA before any vehicle enters the bonded zones.
3. The operator shall cooperate with ZATCA to facilitate security check procedures for all workers in the zone to issue permits for entry of the bonded zone.
4. ZATCA shall determine the sites where operators and brokers are allowed to be present within the bonded zone.

Chapter IV: Goods Storage and Transportation

Article (11): Entry and Exit of Goods

An "Approved Entry/Exit Form" must be submitted upon the entry of goods into, or the exit of goods from, the Bonded Zone. The form shall include the identifying particulars of the goods. ZATCA shall issue a procedural guide specifying the procedures and conditions applicable to the entry and exit of goods.



Article (12): Storage of Good

1. Goods may be stored in the Bonded Zone for a period not exceeding five (5) years, depending on the nature of the goods. The storage period shall be calculated from the date of the Approved Entry Form.
2. ZATCA may reduce the storage period referred to in Paragraph (1) where the nature of the goods is not suitable for long-term storage.
3. The storage period applicable to hazardous and radioactive goods shall be governed by the relevant laws and regulations.
4. ZATCA may extend the storage period referred to in Paragraph (1) for an additional period of the same duration upon receipt of a justified request.

Article (13): Transportation and Disposal of Goods in Bonded Zones

1. Goods may be transported from a bonded zone to another or to zones where customs duties and taxes are suspended inside or outside the Kingdom without the goods being subject to customs duties and taxes in accordance with the relevant customs procedures.
2. Goods may be transported from a warehouse to another within the same bonded zone without being subject to customs duties and taxes in accordance with the relevant customs procedures.
3. The goods listed in the manifest "Imported into the Kingdom" may be stored in the bonded zone after obtaining ZATCA's approval.

Article (14): Prohibited Goods

Any national or foreign goods from inside or outside the Kingdom may be stored in the bonded zones, with exclusion of the following:

1. Goods prohibited under the provisions of the Law and its Implementing Regulations or the relevant laws and decisions;
2. Goods that contravene the laws and decisions pertaining to protection of intellectual, commercial and industrial property;
3. Goods originating in a country from which import is prohibited;
4. Narcotic drugs and psychotropic substances according to their classification, names and types specified in the laws and regulations issued by the competent entities; and
5. Damaged, spoiled, expired and bulk goods unless the bonded zone is equipped to store such goods.



Article (15): Restricted Goods

1. Goods may be brought into Bonded Zones from outside the Kingdom or released for export without obtaining approvals from the competent authorities, except for goods designated by such authorities in accordance with the applicable laws and regulations.
2. Approval or a permit from the competent authorities shall be obtained for the storage of the following goods:
 - (a) Flammable goods.
 - (b) Dangerous radioactive or chemical materials.
 - (C) All types of weapons, ammunition, and explosives.
 - (e) Goods subject to a prior clearance requirement imposed by the competent authorities.
 - (f) Goods subject to a prior clearance requirement under the applicable laws and regulations.
3. Restricted goods may not be released from the bonded zones for consumption before obtaining the necessary approval from the competent authorities.
4. goods violating paragraph (2) shall be returned by means of transport accordance with the provisions of the law and its implementing regulations.

Chapter V: Bonded Zones Activities and Permitted Procedures

Article (16): Special Provisions for Certain Activities and Operations

1. Notwithstanding the provisions of Article (5) hereof, the following activities shall be permitted in bonded zones:
 - (a) Value-added operations, whether the materials used in such operations are from inside or outside the Kingdom;
 - (b) Activities of maintenance on goods imported from inside or outside the Kingdom;
 - (c) Simple assembly operations of goods; and
 - (d) Mixing and combination.
2. Customs duties and taxes shall be levied on foreign goods if they enter the Kingdom according to their value after the operations set out in Paragraph (1) of this Article are added. If the goods entered into the bonded zone are from inside the Kingdom, customs duties and taxes shall be levied on the increase thereon.
3. In case of carrying out the activities set out in Paragraph (1), the customs tariff of the goods shall not be changed, except as may be coordinated with the competent authorities.
4. E-commerce activity may be practiced in the bonded zones in accordance with the Law and its Implementing Regulations, provided that the operator shall observe the following:
 - (a) The shipments shall be cleared by express carriers licensed by the competent authority in the Kingdom.
 - (b) Re-export of e-commerce shipments shall be made in accordance with the Law and its Implementing Regulations, and as per the rates determined by ZATCA and the respective rules and instructions.



Article (17): Permitted Procedures

The following procedures shall be permitted in bonded zones:

1. Transfer of ownership of the stored goods or a part thereof by the operator or owner of the goods to other owners within the same bonded zone or another bonded zone in the Kingdom on the bonded zones system, under the following conditions:
 - (a) It is not permissible to transfer ownership of goods relating to a customs smuggling case or goods under a precautionary seizure in accordance with the provisions of the Law, its Implementing Regulations and other relevant laws.
 - (b) The goods shall be registered in the name of the new owner, and all obligations arising therefrom shall be transferred to the new owner as of the date of ZATCA's approval.
 - (c) The seller and purchaser shall be jointly liable in case the goods are damaged.
2. Temporary storage of full, sealed containers and drums in the bonded zone pending their transfer to the transshipment berths and loading onto the vessel.
3. Use and consumption of materials within the bonded zone to carry out operations necessary for preserving the goods, value-added operations, and other activities without being subject to customs duties and taxes, in accordance with the procedures set out in Article (18) of these Rules.
4. Destruction of goods under ZATCA's approval and in accordance with the Law, its Implementing Regulations and the relevant laws and pursuant to ZATCA's approved procedures and policies.
5. Registration of a non-resident merchant without obtaining the unified national number for the commercial registry, only being registered in the foreign commercial registry of the merchant in accordance with the requirements set by ZATCA, provided that this shall be under supervision and responsibility of the operator and without prejudice to the relevant laws.

Article (18): Consumption

1. Imported materials and goods may be consumed within the bonded zone. This includes items such as paper and ink used for office work, and petroleum derivatives consumed in the operation of machinery and equipment. Such items must be deducted from inventory in accordance with the following procedures:
 - (a) The Operator shall prepare the Approved Consumption Form prescribed by the operator.
 - (b) ZATCA shall assess the request, verify that the consumed items correspond to actual consumption, and approve the request.
 - (c) Customs duties, taxes, and any other applicable fees shall be paid.
2. Customs duties shall not apply to items consumed in the course of carrying out value-added operations.



3. Customs duties, taxes, and any other applicable charges shall be collected on imported goods, including food products, intended for the daily consumption of personnel working within the bonded zone.

4. Customs duties and taxes may be suspended on goods imported into the bonded zone for use in its operation that are capable of being re-exported in their original condition. This includes items such as conveyor belts, transport equipment, and machinery.

Article (19): Bonded Tanks

1. Notwithstanding the provisions of the relevant laws, liquid chemical, petroleum and petrochemical derivatives and bulk products may be stored in bonded tanks, and the sites of such tanks shall be determined by the operator after obtaining ZATCA's approval.

2. Liquid chemical, petroleum and petrochemical derivatives and bulk products shall be stored in the tank located at sea. Such sites shall be determined by the operator after obtaining ZATCA's approval and coordination with the competent authority.

3. Shipments (petroleum, liquid petrochemical, and bulk products) may be transferred from one tank to another within the licensed Bonded Tank Zone, or from one ship to another at sea, whereby one vessel serves as the terminal while the other remains moored alongside until the transfer is completed, after obtaining ZATCA's approval and coordinating with the competent authorities.

4. Ships may be deemed as mobile bonded tanks if they meet the following requirements:

(a) The competent authorities approvals are obtained.

(b) The ship is registered in the inventory system on ZATCA's approved platform.

(c) The ship is within the territorial waters of the Kingdom.

(d) The Approved Entry/Exit Form for vessels entering or leaving the territorial waters of the Kingdom shall be submitted.

Chapter VI: Operator's Obligations & ZATCA's Powers

Article (20): Operator's General Obligations

The operator shall:

1. Operate the bonded zones and provide such zones with employees, security apparatus and systems, tools and equipment necessary for customs operations in the zone in coordination with ZATCA.

2. Assume full responsibility for the bonded zone and the goods stored therein, and for other expenses, infractions and fines.

3. Comply with ZATCA's regulations and instructions pertaining to release and entry of goods from and to the bonded zone.

4. Use systems approved by ZATCA to complete all customs operations.

5. Be responsible for maintenance and cleaning of all the bonded zone facilities and all their contents.



6. Keep all papers, documents, records, correspondence, commercial contracts and any other documents which are, directly or indirectly, related to customs operations, for at least five (5) calendar years as of the date of completion of customs operations, and ZATCA has the right to review such documents at any time.
7. Preserve the goods stored in the bonded zone, and not to bring any damaged or expired goods into the bonded zone.
8. In case there are damaged or expired goods in the zone, the operator shall destruct such goods after obtaining the necessary approvals from ZATCA and in accordance with the relevant ZATCA's procedures.
9. Work in the bonded zone at the agreed-upon times in case of requesting specification of working hours in the bonded zone and obtaining ZATCA's approval.
10. pay customs duties and taxes due on all materials and equipment imported from outside the Kingdom to be used in construction or operation of the bonded zones, unless they are categorized as materials and equipment permitted to be temporarily entered under the provisions of the Law and its Implementing Regulations.
11. Transport the goods sold between the seller and the purchaser from one warehouse to another within two (2) working days from the date of ZATCA's approval, and such period may be extended by ZATCA.
12. All special operations shall be carried out electronically through the bonded zone system.
13. Conduct inventory counts and provide ZATCA with periodic reports as determined by ZATCA.
14. Cooperate with ZATCA personnel during inspections and visits to bonded zones and provide all requested documents.
15. Remove goods that have deteriorated after storage or have become unfit for use.
16. Comply with all laws, procedures, requirements, and guides issued by ZATCA, which regulate the bonded zone work mechanism.

Article (21): ZATCA's Powers

1. Supervise and control the bonded zones, including zones with suspended customs duties and taxes managed by other public agencies and authorities, in accordance with these Rules and the provisions of the Law.
2. Review papers, documents, records, correspondence, commercial contracts and any other documents which are, directly or indirectly, related to customs operations, and seize such documents in case of any infraction detected.
3. ZATCA may assign employees to work in bonded zones according to the times agreed upon with the operator and in accordance with the work needs.
4. Review the technical specifications of security apparatus and systems provided by the operator and make a decision on approval thereof.
5. Conduct security testing for the systems and apparatus supplied by the operator and ascertain that they meet ZATCA's requirements before starting operation of the zone.
6. Assess the operators' performance on a periodic basis, and reassess the zone to ascertain that the operators comply with ZATCA's standards and requirements.



7. Conduct inspection tours of bonded zones to ascertain that the operators comply with ZATCA's requirements and to ensure that there are no unjustified shortages or surpluses in inventory.

8. Provide the services necessary for operations in the bonded zones.

9. ZATCA may set technical requirements and standards, or procedural guides for implementation of these Rules. and these technical requirements and standards, upon being approved or agreed upon with the operator, shall be deemed an integral part of the license requirements.

Chapter VII: License Revocation and Assignment

Article (22): Assignment

The operator may assign the license to another entity, under the following conditions:

1. The operator shall obtain the initial approval from ZATCA for the license assignment.
2. The liability of the operator that has assigned the license shall continue before ZATCA until the license is fully assigned to the assignee.
3. The assignee should meet all the requirements set out in the Rules for those licensed to practice the activity.
4. The license should be valid for at least six (6) calendar months upon submission of the assignment application.
5. The property owner should approve the transfer of rights and obligations to the assignee.
6. All fines imposed on the operator, if any, should be paid.
7. The financial Fees, if any, should be paid.
8. The assignee may not engage in operation of the bonded zone until the license is issued in its name.
9. All existing installations should be in line with these Rules.
10. The assignment conditions should be met within sixty (60) days from the date of ZATCA's assignment initial approval.

Article (23): License Revocation

ZATCA may have the right to revoke the license without referring to the operator in the following cases:

1. Cancellation or stricken-off of the operator's commercial register.



2. In case of liquidation of the operator due to its bankruptcy, or if it is dissolved or liquidated, whether by agreement of the partners or under a judicial judgment.
3. Assignment of the license without obtaining ZATCA's approval.
4. If it is found that the operator, either directly or indirectly, itself or through a third party, has offered a bribe, or obtained the license through bribery, fraud, deception, forgery or manipulation, or has committed any of these violations during the license period.
5. In case of smuggling of goods, or if behaviors or practices that are considered smuggling under the provisions of the Law are detected, or in case of sale of prohibited products without permission of the competent authority.
6. ZATCA may suspend the license if the operator breaches any of the terms and conditions set out in the Rules, or delays in commencing implementation of its obligations without rectifying its situation within a period of fifteen (15) days from the notification date. The operator shall not engage in the activity of bonded zone operation until all conditions are met. If the operator does not rectify its situation within a period of ninety (90) days from the date of license suspension, the license shall be revoked, and ZATCA shall have the right to impose any customs fines for any infraction committed.

Article (24): License Expiration

1. The license shall expire in either of the following cases:
 - (a) Upon expiry of the license period.
 - (b) Upon the operator's request to terminate the license and close the bonded zone.
2. Upon expiration of the license, the operator shall be granted a grace period of ninety (90) days to transport the goods to another zone or place them under another customs procedure after obtaining ZATCA's approval, and such period may be extended by ZATCA, if necessary.



Chapter VIII: Final Provisions

Article (25): General Provisions

1. Without prejudice to ZATCA's right to complete the statutory procedures for filing a customs smuggling case, if an actual shortage or increase in goods is found during conducting inventory, a report shall be prepared for the purpose of collecting due customs duties and taxes.
2. Destruction of expired goods or such goods found to be harmful or non-conformed to the approved specifications through inspection or analysis shall be made at expense of their owners, provided that a joint report shall be prepared by ZATCA, the operator, and the destruction entity, if any.
3. In all cases in which closure of the bonded zone is a consequence, the concerned parties shall be granted a sufficient grace period to transport their goods to another bonded zone or warehouse, or to place the goods under another customs procedure, provided that they comply with the conditions and procedures appropriate for each case.
4. ZATCA may conduct customs inspections on all employees and workers in the bonded zone, at both entry and exit.

Article (26): Infractions & Penalties

Without prejudice to any other penalties, ZATCA -by virtue of its powers- may:

1. Impose the penalties provided for in the Common Customs Law and its Implementing Regulations in case the operator or its employees commit any form of customs smuggling as defined in the Law and its Implementing Regulations.
2. Impose fines in case of a breach by the operator to these Rules, committing any of the infractions specified in bonded zone violations document issued by ZATCA, or violating any of the provisions set out in the Law and its Implementing Regulations.



Article (27): Applicability

1. These Rules shall apply to all operators, entities and parties concerned with operation and practice of activities in bonded zones in the Kingdom. Any provision set out herein shall be null and void if it conflicts with any provision set out in the Common Customs Law and its Implementing Regulations. The provisions of the Common Customs Law and its Implementing Regulations shall apply for all matters not stated in these Rules.
2. These Rules shall not prejudice continuation of the bonded zone operation by the operators granted approval by ZATCA prior to the Rules enter into force. Such operators shall continue to operate the bonded zones and warehouses in accordance with the procedures under which the approvals were granted, and shall rectify their situations and comply with the requirements and conditions set out in these Rules pursuant to the provisions of Articles (6) and (7) within ninety (90) days from the date of entry into force.

Article (28): Publication & Entry into Force

These Rules shall be issued and amended under a decision by the Governor, shall be effective ninety (90) days from the date of publication in the Official Gazette, and shall supersede all prior decisions and provisions inconsistent therewith.



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version and all published documents
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