



EXPORTING U.S. GOODS TO IRAQ

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The U.S. Department of Commerce promotes U.S. exports to Iraq by providing technical guidance and strategic direction to U.S. exporters interested in Iraq. As with most countries, some export licensing restrictions govern sensitive “dual use” products, weaponry, transactions connected to “end users of concern”, or dealings with specific individuals or companies targeted by U.S. and international economic sanctions. But for the vast majority of transactions, no special licenses or restrictions apply to U.S. exports to Iraq. In many sectors of the Iraqi market, lucrative opportunities exist for U.S. manufacturers and suppliers, especially in the electricity, oil, transportation, and construction sectors, where sophisticated machinery and equipment are needed to rehabilitate Iraq’s economy and infrastructure.

This document addresses many frequently asked questions regarding exporting U.S. goods to Iraq and provides an overview of the regulations and procedures involved.

U.S. Export Requirements

The current U.S. export control policy for Iraq is the same as that for most other foreign markets. *If you are currently exporting products without an export license to a country other than Iraq, you likely will not require a license to export those products to Iraq.* To determine if an export license is needed, an exporter should consult the regulations regarding licensing requirements and procedures for exporting and reexporting to Iraq, as described by the U.S. Department of Commerce’s Bureau of Industry and Security (BIS) at: <http://www.bis.doc.gov/PoliciesAndRegulations/IraqSummary.htm>. Firms may also wish to consult BIS’s list of Frequently Asked Questions for Iraq at:

<http://www.bis.doc.gov/PoliciesAndRegulations/IraqFAQs.htm>. Finally, companies may contact the BIS Exporter Counseling Division at 202-482-4811 or www.bis.doc.gov/Forms/Formslist.html. BIS’s controls on Iraq are unique in some aspects, including the parameters of “end-use controls” and the licensing requirements for transfers. The Department of Commerce advises companies to review BIS’s posted guidance carefully and contact BIS with questions.

Trade with certain persons associated with the former regime continues to be prohibited. For a list of prohibited persons and entities, please refer to the Excluded Parties List System located at <http://www.epls.gov/>. This site provides a searchable database of information from the relevant lists of parties with whom U.S. persons may not do business (including the Department of the Treasury’s [Office of Foreign Assets Control \(OFAC\)](#) lists and BIS’s “Denied Persons List” and “Entity List”).

Iraq Import Requirements

The following customs documents are required for imports under the Iraqi [Law of Customs No. 23 \(1984\)](#):


- Customs Declaration Form
- Commercial Invoice approved by the Chamber of Commerce and Industry (or any other authority by accepted by the customs administration), and certified by the concerned authorities
- Bill of Lading
- Certificate of Origin, certified by the Chamber of Commerce and Industry or similar body
- Standards, Veterinary, Health, Food Safety and Phyto-sanitary Certificates (as relevant)

Bureau of Industry and Security (BIS)

When contacting BIS, an exporter should have the following information available: Export Classification Control Number (“ECCN”), export item, where the export is going, who will receive it, intended use of the export, other activities the recipient of the export is involved in. The ECCN is an alpha-numeric code (e.g. 3A001) that describes a particular item or type of item, and shows the controls placed on that item. All ECCNs are listed in the Commerce Control List (“CCL”) (Supplement No. 1 to Part 774 of the Export Administration Regulations (“EAR”), which is available on the [Government Printing Office website](#). BIS’s Exporter Counseling Division can assist companies to determine their products’ ECCN. On August 26, 2004 BIS and Vastera co-sponsored an audio conference on the rule change for exporting and re-exporting goods and materials to Iraq. That conference is available [here in MP3 format](#) (44MB, approximately one hour long).

In accordance with Coalition Provisional Authority (CPA) Orders No. 38 and 54, as amended by Orders No. 70 and Section 3, paragraph 16, of CPA Order No. 100

(www.iraqcoalition.org/regulations/index.html#Orders), the Government of Iraq collects a 5% reconstruction levy on the total taxable invoiced value of all goods imported into Iraq from all countries.

Exceptions to the levy are food, medicines, clothing, books, humanitarian goods, Coalition forces, reconstruction contractors, NGOs, international organizations, diplomats and Coalition governments. In order to claim an exemption to the reconstruction levy, exporters will need to file the [Reconstruction Levy Exemption Form](#)  (PDF only) with Iraqi Customs. No pre-shipment inspections are required. Calculation of the ad-valorem reconstruction levy is assessed in accordance with Article VII of the General Agreement on Tariffs and Trade 1994 (GATT), in accordance with [CPA Order 54](#). The current Iraqi tariff system classifies goods down to the four (4)-digit level based on the Customs Cooperation Council Nomenclature (CCCN); the Harmonized System (HS) is in the process of adoption. The Ministry of Trade's [Iraq Trade Information Center](#) has more detailed information on [Iraqi trade rules](#).

Trade Financing

The Trade Bank of Iraq (TBI) is the primary source for letters of credit, performance guarantees and other trade finance tools for Iraqi Ministries, State-Owned Enterprises, and private companies. As an independent agency of the Iraqi Government supported by a consortium of international banks led by JPMorgan, TBI is a modern export credit agency on par with its international partners in developed economies. Exporters can apply for a letter of credit or find out more at: <http://www.tbiraq.com/>.

The Export-Import Bank of the United States (Ex-Im Bank), while it is still closed to routine trade finance transaction with respect to Iraq, will consider three types of support for exports to Iraq. First, Ex-Im Bank will consider applications for exports to Iraq that involve buyers or letters of credit from banks located in third countries. Second, Ex-Im Bank may also provide working capital support under the Working Capital Guarantee Program for U.S. subcontractors providing goods and services to Iraq under U.S. Government reconstruction contracts. Third, Ex-Im Bank is also willing to explore financial support for the energy sector in Iraq. There are several possibilities for export credit agency support for the sector and we remain willing to examine these in detail with the Government of Iraq, when it deems appropriate. For more information on Ex-Im Bank support for U.S. exports to Iraq, visit the website at: <http://www.exim.gov/portals/iraq/iraq.cfm>.

The Overseas Private Investment Corporation (OPIC) provides funding through direct loans and loan guaranties to ventures involving significant equity and/or management participation by U.S. businesses (at least 25% equity interest). For more information on OPIC financing visit the website at: <http://www.opic.gov/financing/index.asp>.

The U.S. Small Business Administration (SBA) is accepting applications from lenders for lines of credit that support the export of U.S. goods and services to Iraq. The exporter must be a small business as defined by SBA and may include contractors and subcontractors. The line of credit can support indirect sales, contract

Certifying Documents for Iraqi Ministries

Requiring authentication of documents is common practice in the region and many Iraqi Ministries ask for documents to be authenticated/certified by their home governments. Companies met with this kind of request should get as much detail as possible from the Ministry or organization they are working with and be sure to follow those instructions as closely as possible. The guidelines below are meant to give instruction on some of the formal procedures that can be followed to authenticate documents in the United States and to provide some guidance on other types of certification. Should your company feel that requirements are overly restrictive, you may contact the Iraq Investment and Reconstruction Task Force at: IraqInfo@mail.doc.gov or call us toll-free at 1-866-352-IRAQ.

First, the State Department will authenticate documents when authentication is required from a foreign government. The process is detailed on the State Department website at: <http://www.state.gov/m/a/auth/>. The cost for authentication is \$7/document. There is a 5-day turnaround on mailed documents, or same day authentications can be issued at the D.C. office between 7:30am and 11:00am.

When certification from a Chamber of Commerce is required, companies in the past have used the National U.S. Arab Chamber of Commerce (NUSACC): <http://www.nusacc.org/cert.asp>. The NUSACC charges \$25/document. Certification can be given while you wait.

It is possible that companies will be asked for certification from the Iraq embassy of the company's home country. The Embassy of the Republic of Iraq in Washington, D.C. provides such certifications. The Embassy is located at 1801 P Street NW, Washington, D.C. 20036 (202-483-7500), and can be visited online at <http://www.iraqiembassy.org/> or contacted through e-mail at admin@iraqiembassy.org. Embassy hours are from 9am to 5pm, Monday through Friday. Consular hours are from 10am to 3pm, Tuesday through Thursday. The cost for document certification is \$160/document.

sales, and defense-related sales with the exception of any sales associated with nuclear power. For more information on the SBA Export Working Capital Guarantee Program (EWCG) and how to apply, contact the local SBA international credit officer in one of the U.S. Export Assistance Centers located throughout the United States. To find your local representative, visit www.sba.gov/oit. For more information on SBA's EWCG Program, please see attached [Description PDF](#) (PDF only) and related [FAQs PDF](#) (PDF only).

For additional information, please reference the Trade Finance section of the Department of Commerce's Business Guide at http://www.export.gov/iraq/bus_climate/businessguide_current.html.

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