

Investor Guide to Iraq

Open for Business

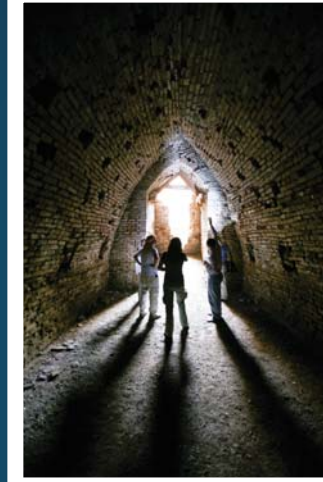


Republic of Iraq
National Investment Commission

Investor Guide to Iraq

Prepared by the:
Republic of Iraq
National Investment Commission





Dear Investor,

The investment opportunities found in today's Iraq vary in type, size, scope, sector, purpose, and structure. Potential investors will find an open landscape to develop projects that will return profits and help fill the needs of Iraq's expanding and demanding population. Iraq's location at the center of many historic and current middle-east trade routes provides an undeniable advantage; combined with a variety of natural resources and a desire for advanced quality of life, this advantage creates many opportunities for builders, suppliers, transporters, developers, producers, providers, manufacturers, servicers, and financiers, all of whom will find many avenues by which to establish new relationships, build new operations, create new markets, and develop new mutually beneficial business connections.

In this document we provide an overview of Iraq, details regarding the investment environment, and a primer on the logistics of investing. We invite you to review this information and welcome further inquiries at any level. You are encouraged to bring us your ideas, proposals, perspectives, and plans; you will find us ready to listen and work with investors in developing constructive and rewarding ways to accommodate those that wish to positively contribute to the future economic prosperity of Iraq and its people.

Regards,

Dr. Sami Al-Araji. Chairman
Iraqi National Investment Commission

Contents

Preface	1	Currency	13
Introduction	2	Iraqi Capital Markets	14
Iraq is Open for Business	2	Trademark Protection	14
The Investment Environment	5	Patent Protection	14
Investment Law No. 13	5	Copyright Protection	15
Investment Law No. 13: Parameters of Investment	5	Worker's Retirement and Social Pension Organization	15
Establishment of the NIC	6	Customs Law	15
NIC Strategic Projects	6	Quality Standards	16
Investment Law No. 13: Privileges and Guarantees	7	Food Safety and Agricultural Inspection Requirements	16
Investment Law No. 13: Additional Benefits	7	Other Protections	16
Investment Law No. 13: Investor Obligations	8	Key Iraqi Ministries	17
Investment Licensing Procedures	9	Other Relevant Websites	17
Upcoming Services of the One-Stop Shop	9	Investing in the Kurdistan Region of Iraq	18
Legal Registration	10	Getting Started	19
Registering Companies in Iraq	10	Basic Data	19
Local Partnerships	11	How to Apply for a Business Visa	20
Iraq's Bilateral and Multi-Party Agreements	11	How to Travel to Iraq	20
Taxation	12	Security and Insurance Solutions	21
Free Zones in Iraq	12	Places to Stay	21
Iraq's Banking System	12	Communications	21

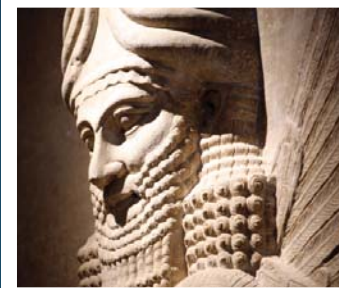
Preface

This document has been prepared by the Republic of Iraq - National Investment Commission (NIC) for informational purposes only. The purpose of this document is to provide a brief overview of the investment environment and basic travel information. The information contained in this document is provided only as general information.

This document serves as a companion document to the National Investment Overview which provides economic details, overviews of the provinces and sectors, and specific investment opportunities.

Website: www.investpromo.gov.iq

E-mail: info@investpromo.gov.iq



Introduction



Iraq is Open for Business

Iraq has changed. As normal life begins to resume, economic activity has revived. Demand for all types of goods and services is growing fast. The focus is on reconstruction as the government rebuilds essential infrastructure, from power and water utilities and transport infrastructure to residential housing. At the same time, the government is investing in essential economic infrastructure, including oil fields and the mid- and downstream pipeline, petrochemical, and fuel distribution sectors.

Iraq presents huge commercial opportunities across a broad range of sectors. After five years of security being the dominant issue in Iraq; the country has now entered a new, positive phase. As the Iraqi government and security forces have increased up their capacity, the environment for trade and investment has changed for the better. Millions of Iraqis now have the freedom to live, to trade, to work and to travel. Security improvements are now substantial and tested. There have been notable improvements in the regulation of the business environment. The private sector has grown more important and, for the first time in decades, Iraq is open to foreign investment. These factors combine to create opportunities for trade and investment on an unprecedented scale.



To attract foreign investment into Iraq, generous benefits, guarantees and exemptions have been set out in Iraqi investment laws. Qualifying investments are eligible to:

- Receive 10 years exemption from taxes.
- Repatriate investment and profits from investments.
- Employ foreign workers when needed.
- Obtain three years exemption from import fees for required equipment.
- Guarantees that the government will not nationalize or confiscate investments.

“Iraq’s economy is vibrant. Shops are open. Goods are being moved the length and breadth of the country on trucks and railway cars. Iraqis are being trained in business and entrepreneurial skills. Young men and women are graduating from universities all over the country with brand new degrees, and with hopes and plans for a brighter economic future.”

*Dr. Sami Al-Araji
Chairman of the
National Investment Commission*



The Iraqi people are now able to benefit collectively from the country’s great wealth and resources. The important challenges still facing the country also represent opportunities for partners who are prepared to commit to commercial and investment relationships. Challenges include:

- Rebuilding the economy to provide livelihoods for the population.
- Reconstructing roads, houses and other infrastructure.
- Re-establishing water and power supplies.
- Developing oil and gas fields, export pipeline infrastructure, and downstream industries.

The difference now is that for the first time the security and stability exists to make these fundamental long term goals achievable. Key factors underpin this stability:

- Significantly improved levels of security make it possible for foreign businesspeople to travel safely all over the country.
- Stronger Iraqi security forces and government guarantees provide long-term security for businesses.

“Iraq is likely to be among the fastest growing and most lucrative mid-sized markets in the world.”

*U.S. Department of Commerce
2009 Iraq Country
Commercial Guide*

- Successful provincial elections in January 2009 have demonstrated the gradual rooting of the democratic process.
- Economic stability, with a successful policy of limiting inflation, is delivering high rates of annual growth.

A fundamental shift is occurring in Iraq. For over 30 years, Iraq was a highly centralized economy with little investment from the private sector. Today the country and economy are transitioning to a market driven business environment with substantial potential for growth. The Iraqi government has publicly stated its need for the participation of foreign investors to achieve its objectives. Regulations, security, and incentives are in place. Iraq is now open for business.

The Investment Environment



Investment Law No. 13

The Iraqi economy is undergoing a rapid transformation from a centrally based economy to a free market economy in which the private sector has a leading role in the country's economic development. After 2003, Iraq took important steps towards enhancing the private sector through several legislative reforms. Perhaps the most important is Investment Law No. 13. This law was approved by Parliament in October, 2006, and became effective in January, 2007.

Investment Law No. 13 is available in English at the following location:
www.investpromo.gov.iq/files/investment_lawenglish.pdf

Investment Law No. 13: Parameters of Investment

Investment Law No. 13 covers investments:

- In all sectors except for investments in oil and gas exploration and production and investments in the banking and insurance sectors.
- In the private and mixed (public/private) sectors.
- With a minimum level of capital investment of \$250,000 USD.

Establishment of the NIC

Investment Law No. 13 established the National Investment Commission (NIC) and also created Provincial Investment Commissions (PICs) in each Iraqi province. The PICs have the authority to grant investment licenses, promote investment, open local branches in their areas, and formulate local investment commission plans. These activities are undertaken in consultation with the NIC to ensure that provincial plans do not conflict with national level plans developed by the NIC. The NIC's responsibilities include attracting, managing, and regulating foreign investment projects in the private and mixed-public/private sectors.

NIC Strategic Projects

The NIC is charged with formulating the national investment strategy and policies governing investment projects. It creates plans, regulations, and guidelines to implement the policies in place. Further, it monitors the application of the guidelines and regulations. The NIC was created to oversee projects at the federal and strategic levels. This responsibility was further defined in Investment Regulation No. 2 (2009).

Strategic projects are defined as investments that meet one or more of the requirements below:

- Common projects between more than one region or province.
- Projects related to the extraction of natural resources,

other than limited by Article 29 of the Investment Law.

- Projects relating to the development of archeological and historical sites.
- Projects related to telecommunications.
- Projects established under an agreement of which the Republic of Iraq is a party.
- Infrastructure projects with capital greater than \$50M USD or equivalent in Iraqi Dinars (IQD).
- Engineering, mineral, petrochemical and medical industries projects as well as manufacturing projects for various types of vehicles where the capital of each is greater than \$50M USD or equivalent in IQD.
- Transportation projects such as roads, seaports, airports and railways with capital greater than \$30M USD or the equivalent in IQD.
- Power projects with capacity greater than 30 megawatts each.
- Projects relating to dams, reservoirs, and irrigation greater than 50M sq m.
- Any project with capital greater than \$1B USD or equivalent in IQD.
- Any other projects deemed by the Cabinet to be of a strategic or federal nature.

All projects not on the strategic project list above fall under the authority of the PIC.



Investment Law No. 13: Privileges and Guarantees

Investment Law No. 13 sets forth a number of privileges and guarantees for prospective investors:

- Foreign investors have the right to repatriate capital brought into Iraq, as well as any profits earned, pursuant to the instructions of the Central Bank of Iraq, after paying all taxes and debts owed to the Iraqi Government and all other authorities.
- Foreign investors have permission to trade stocks and bonds listed on the Iraqi Stock Exchange (ISX).
- Foreign investors may form investment funds, consisting of shares or bonds, on the ISX.
- Foreign investors are allowed to lease land for the life of the investment project, or for a term of up to 50 years. Extensions can be requested and obtained from the NIC for additional years based on need and economic considerations. Additionally, a bill is currently pending before the Iraqi Parliament (to be voted on in October 2009) which would allow foreign investors to own land.
- Foreign investors may insure their investment project with any Iraqi or foreign company which they deem suitable.
- Foreign investors may open accounts for licensed projects in Iraqi and/or foreign currencies with Iraqi or foreign banks.

- All foreign investors and non-Iraqi employees of licensed investment projects have the right to reside in Iraq, as well as the right to unimpeded entry and exit from Iraq.
- All licensed projects are protected from any type of confiscation or nationalization of any part of the project, unless there is a legally obtained judgment against the project.
- Non-Iraqis working for investment projects may transfer their salaries and other compensation outside Iraq, after paying all taxes and debts owed to the Iraqi Government and all other authorities.
- Any future amendment to this law will not have retroactive effect on the guarantees and exemptions stated above.

Investment Law No. 13: Additional Benefits

In addition to the privileges and guarantees provided to investors, the law provides several excellent benefits:

- NIC-licensed projects enjoy exemption from taxes and fees for a period of 10 years from the date that commercial operations begin.
- In addition to the exemption of taxes and fees, the NIC will increase the number of years of exemption from taxes and fees in direct proportion to the percentage increase of Iraqi investor participation in the project, up to a maximum of 15 years when Iraqi ownership exceeds 50%.



- Assets imported for an investment project are exempt from customs duties as long as they enter Iraq within three years of the licensing date.
- Assets imported for development or expansion of an investment project are exempt from customs duties within three years of notification to the NIC of the planned development or expansion.
- Imported parts are exempt from customs duties, as long as the value of the parts is not more than 20% of the value of the assets.
- Investment projects involving hotels, tourist establishments, hospitals, health clinics, rehabilitation centers, educational and scientific organizations may import assets for the purpose of modernization and refurbishment without any import fees once every four years.

- Investors must maintain proper accounting records. The investor must also have these records approved by a licensed Iraqi accountant.
- Investors must submit an economic and technical feasibility study along with the license application.
- Investors must regularly provide current budget status and project progress status to the National, Provincial, or Regional Investment Commission and other relevant entities.
- Investors must keep a record of any import-fee-exempted items imported for the project. The records must specify the depreciation periods of said items.
- Investors must not harm the Iraqi environment and must also adhere to all valid quality control systems in place in Iraq, as well as to international quality standards (International Organization for Standardization (ISO) and European Union (EU). See the Quality Standards section on page 16 for more information.
- Investment projects must comply with all Iraqi security, health, and public order statutes, and must respect the general values of Iraqi society.
- Investors must, at a minimum, adhere to Iraqi labor laws as they pertain to salaries, time off, work hours, and other stipulated working conditions.

Investment Law No. 13: Investor Obligations

In order to comply with the terms of Investment Law No. 13 and receive the guarantees and privileges shown above, investors must comply with the following:

- Investors must provide in writing the date commercial operation began to the National, Provincial, or Regional Investment Commission, depending on the circumstances.



Investment Licensing Procedures

The NIC has established a “One Stop Shop” (OSS) department to help investors obtain investment licenses through the procedure shown below:

- Investors submit a request to the NIC indicating a desire to invest, including the proposed investment sector and geographic area. This request shall be made via a standard form which is available from the NIC directly or on the NIC website (www.investpromo.gov.iq).
- Foreign investors must include a certificate of good standing from a certified bank.
- Investors may include a list of projects completed both inside and outside Iraq.
- Investors must provide details of the investment project, including an economic and technical feasibility study.
- Investors must provide a timetable for executing the project.

Once these materials are received, the NIC shall execute the investment license in a period of time not exceeding 45 days from the date of submittal. The following diagram illustrates procedures for obtaining an investment license:

	Responsible Party	Responsibility	Time (days)
↓	Investor	<ul style="list-style-type: none"> • Complete investment application • Conduct feasibility study • Obtain bank certificate 	
↓	NIC One-Stop Shop	<ul style="list-style-type: none"> • Review completeness of package. • Conduct first review of feasibility study. • Send to relevant ministries 	10 days
↓	Relevant Ministry	<ul style="list-style-type: none"> • Complete review of feasibility study 	15 days
Investment License Granted			

Upcoming Services of the One-Stop Shop

Currently, the One-Stop Shop helps potential investors obtain investment licenses; these assistance services will be expanded to include:

Potential projects: NIC will create a portfolio of current and potential domestic projects. These projects will be coordinated across Ministries and will be identified and prioritized by the Government of Iraq.

Logistics support: NIC staff is already helping potential investors facilitate the business visa application process that is required to visit Iraq as well as making hotel reservations and arranging for airport pickup and hotel transfers. NIC can also provide investors with market research, details on the economic climate, potential translation services and other necessary information for potential business ventures.



Introductions: NIC can introduce potential investors to appropriate contacts to learn more about investment opportunities. NIC can also help in creating a business network with domestic partners.

Business process support: NIC can assist investors in navigating domestic guidelines and regulations. Specifically:

- *Feasibility study:* A feasibility study is required in order to submit an investment proposal. NIC can provide investors with templates and provide a list of reputable Iraqi firms qualified firms to conduct the study.
- *Company registration:* After an investment license has been granted, NIC can help investors register the company to do business in Iraq with the Ministry of Trade.

Legal Registration

The Companies Law 21 (1997) and CPA Public Notice 9 (June 2003) allow Iraqi entities to establish direct trading entities with foreign companies. Foreign companies are free to open a branch or office; however they are required to register their office with the Ministry of Trade's companies registrar and to obtain a Business ID number.

Registering Companies in Iraq

The Trade Law, No. 30 (1984), the Companies Laws, No.21 (1997), and Public Companies Law, No.22 (1997) regulate

all incorporation and trade activities for Iraqi businesses. Follow the procedures below to register a company in Iraq:

1. Determine what category the company in question belongs to, according to the Companies Law, No. 21, 1997. This law divides companies into the list of Varieties of Legal Companies in Iraq. Please see www.investpromo.gov.iq/?q=en/node/195.
2. Fulfill all required registration procedures:
 - a. Register a trade name with the relevant trade chamber or the union of trade chambers.
 - b. Submit a contract signed by the founders of the company, stating the name of the company, its activities, and its capital.
 - c. Deposit appropriate capital for the company, in IQD, at an authorized Iraqi bank and notify the Companies Registrar.
 - d. Pay all fees required to register the company with the Companies Registrar. Please see www.motiraq.org/registration.aspx.
 - e. For joint stock companies, submit the subscription certificate, signed by the founders, and the company's feasibility studies.
 - f. Define the commercial and technical activities of the incorporating company to be included in the contract for incorporation.
 - g. Obtain approval of the Minister of Interior for all foreign shareholders.

3. After the company is founded:

- a. Employ a legal advisor (attorney) for the company from the Bar Association.
- b. Employ a chartered accountant form the Chartered Accountants and Auditors Association.
- c. Appoint an Executive Manager.

Local Partnerships

The recommended entry strategy for many investment projects is through a local Iraqi partner. As the country continues to refine its investment laws and bring stability to its political, security and economic activities, local partners serve as good option to expedite and navigate the legal, regulatory and physical landscapes of Iraq. Local partners can access to vital market knowledge; navigate regulatory requirements; provide labor and other inputs at competitive rates; utilize pre-established sales network; and maintain other necessary business relationships, i.e. banking, legal, and distribution, which are critical to the success of an operation.

Iraq's Bilateral and Multi-Party Agreements

Iraq signed a trade agreement with the United States on August 11, 2008, designed to improve trade and investment flows between the two countries. Iraq is a party to the Multi Investment Guarantee Agreement (MIGA), and currently serves as an observer in the World Trade Organization (WTO). In addition, Iraq is currently party to nine separate

multiparty agreements within the Arab League, as well as 32 other bilateral agreements worldwide.

Iraq has also concluded Free Trade Agreements with the following countries:



Additionally, negotiations for investment agreements are underway with the following countries:



Taxation

In 2004, the Coalition Provisional Authority introduced a flat tax of 15% on all income earned by Iraqi and foreign companies. Income derived from foreign government sources, international organizations, and non-governmental organizations (NGOs) is not taxable. A flat sales tax of 10% is applied to “excellent and first class” hotel and restaurant accommodations. Further information can be obtained from the Ministry of Finance, General Commission for Taxes: www.iraqtax.org/.

Free Zones in Iraq

The Free Zones law No.3, 1998, allows industrial, commercial, and service project investment in special zones designated “Free Zones”. Goods imported and exported from Free Zones are exempt from all taxes and fees, except when imported through customs. All capital invested, as well as interest and income generated, by projects established in Free Zones are exempt from taxes and fees throughout the lifetime of the project, including construction and start up phases. To apply for approval to begin a project in a Free Zone, investors must submit a request and pay a \$100 USD fee to the Free Zones Board. Further information can be obtained directly from the Free Zones Board: www.iraqifreezones.com.

Iraq has two Free Zones:

1. Basrah / Khor Al-Zubair
2. Ninewah / Flaifil

There is an additional designated free zone in Anbar/Al-Qaem, however, as of September 2009, investors and infrastructure do not exist.

The Free Zones law enables the following activities in Free Zones:

- Industrial activities, including production, sales, assembly, manufacturing, and repacking
- Warehousing for re-export and trade
- Warehousing services
- Transportation services
- Banking, insurance, and re-insurance
- Professional support services for the industrial activities listed above

Iraq's Banking System

There are 43 banks licensed to operate in Iraq. Of these, 36 are private banks, including eight Islamic banks and those that are branches of foreign banks. The remaining seven banks are state-owned (Rafidain, Rasheed, Iraq Socialist Bank, Agriculture Bank, Trade Bank of Iraq, Real Estate Bank, Industrial Bank).

Banks with Majority Foreign Ownership

Bank Name	Foreign Participation	E-Contract
Commercial Bank of Iraq	49% Ahli United Bank (Bahrain)	www.ahliunited.com
Bank of Baghdad	49% United Gulf Bank (Bahrain)	www.bankofbaghdad.org
National Bank of Iraq	49% Capital Bank (Jordan)	www.nbirq.com
Dar Es-Salam Bank	70% HSBC	www.desiraq.com
Credit Bank of Iraq	75% National Bank of Kuwait	www.kubba-group.net/creditbank
Al-Mansour Bank	23.2% National bank of Qatar	info@mansurbank.com

Most banks have active Society for Worldwide Interbank Financial Telecommunication (SWIFT) connections and all banks are connected to the Iraq Payments System operated by the Central Bank of Iraq and therefore able to transact domestic payments.

Iraq has nine banks with full electronic funds transfer (EFT) capability including SWIFT, domestic payments systems, and core banking systems. These EFT capable banks have almost 200 branches throughout the country. ATMs and Point of Sale terminals are also being put in place nationwide.

EFT Capable Banks

Bank Name	E-Contract
Commercial Bank of Iraq	www.ahliunited.com
Bank of Baghdad	www.bankofbaghdad.org
Al Warka Investment Bank	www.warka-bank.com
Dar Es-Salam Bank	www.desiraq.com
Trade Bank of Iraq	www.tbiraq.com
Ashur International Bank	www.ashurbank.com
Credit Bank of Iraq	www.kubba-group.net/creditbank
Iraqi Middle East Investment Bank	www.imeib.com
Tigris and Euphrates Bank	www.dfdi-bank.com

The minimum capital requirement to establish a bank in Iraq is 100B IQD, approximately \$85M USD.

Banking investments in Iraq are governed by the Law of the Central Bank of Iraq, No. 56, 2004, and the Law of the Banks, No. 94, 2004. The Central Bank of Iraq may be contacted for more information: www.cbi.iq.

Currency

The unit of currency is the Iraqi Dinar (IQD). The exchange rate in September 2009 was \$1 USD: 1,170 IQD. The Central Bank of Iraq has a policy of managed appreciation of the dinar. In April 2008, the exchange rate was \$1 USD: 1,203 IQD. The most widely recognized foreign currency is the



U.S. dollar. Although ATMs are being installed throughout the country, currently there are few available and credit cards are not widely used.

Iraqi Capital Markets

The Investment Law No. 13, 2006, permits non-Iraqis to trade stocks and bonds listed on the ISX and to form investment funds to own stocks and bonds.

- The ISX opened in 2004, replacing Baghdad Stock Exchange (BSX) which launched in 1992. The ISX, in cooperation with NASDAQ-OMX, launched an electronic trading system on April 19th, 2009.
- ISX operates under the oversight of the Iraq Securities Commission, an independent commission modeled after the U.S. Securities and Exchange Commission.
- As of September 2009, the combined market capitalization of the 91 companies listed on the Iraq Stock Exchange was \$2.5B USD, with the average trading volume approximately \$10M USD per week.
- As of September 2009, 79 of ISX's 91 listed companies were available for electronic trading, while the remainder continue to be added. ISX holds three electronic sessions on a weekly basis: on Sundays, Tuesdays and Thursdays. Electronic trading has provided greater transparency, more rapid dissemination of information, and greater liquidity.
- A proposed law creating a stock market commission is being drafted.

Trademark Protection

The government of Iraq is committed to protecting internationally recognized trademarks, even if not registered in Iraq.

- Investors may register new trademarks with the Trade Marks Registrar, in the Ministry of Industry and Minerals (MIM). Please visit: www.industry.gov.iq/?id=trademark/.
- Investors may transfer ownership and grant licenses for use of a registered trademark.
- Iraqi laws protect registered trademarks for 10 years.
- Investors may extend for a further 10 years, if the trademark holder re-applies within six months of expiration of the trademark validity.

Patent Protection

The following restrictions apply to patent protection in Iraq.

- Approval to register an industrial design or a model patent will only be given for new or novel individual designs or models. Industrial designs will not be considered novel if the item or process:
 - Was disclosed or made public before the designer submitted an application for patent registration in Iraq.

- Was disclosed or made public after the designer submitted an application for patent registration in a country dealing reciprocally with Iraq.
- Was disclosed or made public in national or international fairs, or a scientific conference or journal, at any time in the six months before application submission in Iraq.
- Includes only basic differences from a previous design or model, or was registered to a previously registered similar product.

For further information, please contact the Ministry of Industry and Minerals.

Copyright Protection

Iraq endeavors to provide authorship and copyright laws meeting current international standards and WTO requirements. Currently, the Intellectual Ownership Board of the Ministry of Culture oversees copyright registration. The regulations state:

- The law applies to authors of novels and literature, and of works in art and science.
- The author is considered the person to whom the book is attributed.
- In the case of translated works, authorship rights attribute to the author unless agreed otherwise.
- Short stories or other literature, videos, or scientific

books may not be published in newspapers or other periodicals without permission of the author.

- Copyrights last for the lifetime of the author, plus an additional 50 years.

Worker's Retirement and Social Pension Organization

All companies must register with the Ministry of Labor Worker's Retirement (WR) and Social Pension Organization (SPO) before beginning any activities. Companies must deposit funds equal to three months estimated social security deductions for all employees. Investors will then be given a receipt voucher from the Ministry certifying the payment as well as the social security number issued to the company. Generally, this first step requires at least a week. Social Security dues equal to 17% of an employee's wages shall be paid quarterly. Employers are responsible for 12%, with the remaining 5% paid by the employee. Payments should be made by employers to the WR and SPO by certified check. Please visit www.molsa.gov.iq for more information.

Customs Law

The original Customs Law, No. 77 of 1955, placed the initial customs tariff imposed on goods imported to Iraq. This Law was suspended after 2003 and replaced by a 5% reconstruction fee levied on the value of goods imported to Iraq. Under the Investment Law, any projects initiated through NIC, or established in a Free Zone, will be exempt



from this tariff for a period of time, as determined by import type. Additionally, several categories of goods are exempt, including food products, medicines, clothes, books and transit goods.

The Government of Iraq has drafted a new law on tariffs that will adopt the Harmonized System and apply modern WTO standards for calculating tariff rates for imported goods. This legislation is expected to pass the Iraqi parliament in 2010. Iraq was granted WTO observer status in 2004 and hopes to gain membership in 2010.

Quality Standards

Iraq is a member of the International Organization for Standardization. The Central Organization of Standardization and Quality Control (COSQC) is responsible for monitoring product standards in Iraq. COSQC inspects local goods according to health and safety parameters. COSQC's contact information:

Tel: +964 1 776 19 80

Fax: +964 1 776 19 81

E-mail: cosqc@yahoo.com

Food Safety and Agricultural Inspection Requirements

The Ministry of Agriculture inspects all agricultural products and livestock, as well as issues health certificates for livestock. The Ministry of Health inspects and issues health certificates for manufactured food products. Details of these regulations may be found at the websites of each Ministry.

Other Protections

In its efforts to reform the economy, the Iraqi government has also drafted new legislation to make the country more attractive to investors. As of September 2009 there were a number of newly drafted laws, including:

Topic	Scope/Description
Trade	Enacts tariffs on imported goods to encourage local production and industry development.
Consumer Protection	Ensures that manufactured products meet international specifications and standards.
Arbitration	Creates an arbitration law that mirrors existing international arbitration regulations.
Land Ownership	Amends Investment Law No 13 to allow ownership of land when investing in the housing sector.
Mining	Imposes regulations on natural resource mining.
Industrial Zones	Governs the organization of industrial zones.

Key Iraqi Ministries

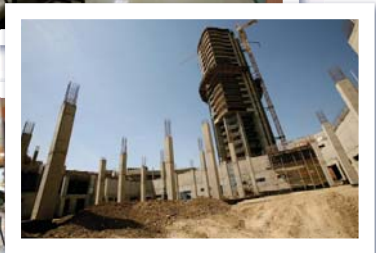
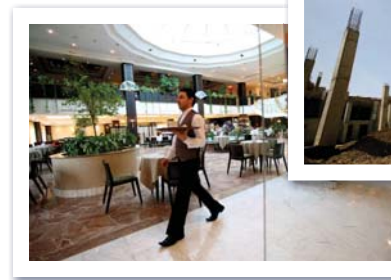
Ministry	Website
Agriculture	www.moagr.com
Communications	www.iraqimoc.net
Construction and Housing	www.moch.gov.iq
Culture	www.ministryofculture.gov.iq
Displacement and Migration	www.modm-iraq.net
Education	www.moedu.gov.iq
Electricity	www.moelc.gov.iq
Finance	www.mof.gov.iq
Foreign Affairs	www.mofa.gov.iq
Health	www.moh.gov.iq
Higher Education and Scientific Research	www.moheiraq.org
Human Rights	www.humanrights.gov.iq
Industry and Minerals	www.industry.gov.iq
Interior	www.moi.gov.iq
Labor	www.molsa.gov.iq
Municipality and Public Works	www.mmpwirq.com
Oil	www.oil.gov.iq
Tourism Board	tourisimiq@yahoo.com
Trade	www.mot.gov.iq
Water Resources	www.mowr.gov.iq

Other Relevant Websites

Organization	Website
Baghdad Governorate	www.baghdadgov.com
Council of Ministries	www.cabinet.iq
Iraqi Commercial Office, Washington DC	www.ico-us.org
Iraqi Embassy, Consular Services	www.iraqembassy.us/consularsection.htm

Investing in the Kurdistan Region of Iraq

The Board of Investment (BoI), formed in the Kurdistan Region, has taken important steps to attract foreign capital and encourage local investment. Investors interested in tourism, residential, and industrial projects have been attracted to the wide variety of opportunities the region has to offer because of its resources, security, and stability. The BoI has implemented a variety of residential and hotel projects, established private universities such as the American University, and constructed power plants and various other industrial projects.



Getting Started



Basic Data

- Time zone: GMT + 3 hours (GMT + 4 hours during daylight savings time, April - October)
- Business hours: 0800 - 1500. Government hours: 0800 – 1300 / 1400
- Working week: Sunday to Thursday
- Public Holidays:

New Year (January 1)	Labor Day (May 1)
Iraqi Army Day (January 6)	Sovereign Day (June 13)
Festival of Spring (March 21)	Republic Day (July 14)

- Islamic holidays (not fixed in Gregorian calendar):
 - 1st of Muharram (Islamic New Year)
 - Ashurah; 10th of Muharram
 - Mawlid Al-Nabi (Prophet's Birthday); 12th of Rabi' al-awwal
 - Eid Al-Fitr (end of Ramadan – 3 days) ; 1st-3rd of Shawwal
 - Eid Al-Adha (Festival of Sacrifice – 4 days); 10th-14th of Dhul Hijja

- International dialing code: 964
- Electricity: 220 volts; AC 50Hz
- Main Languages: Arabic, Kurdish
- Climate: Cool winters, extremely hot summers, with cold winter conditions in the north.

How to Apply for a Business Visa

Applications for business visas should be made at the Iraqi Consulate prior to departure. Consular officials at the Iraqi Embassy have indicated that visa approval can take two to six weeks from the date of submission. Visas are issued to business people, provided that they have official invitations from Iraqi authorities or are introduced as such by their respective Ministries of Foreign Affairs and are supplied with letters from the Chamber of Commerce. Applicants should also submit a letter of request from their own company stating the reason for their travel.

Consular Section	Consulate
Embassy of the Republic of Iraq 3421 Massachusetts Ave., N.W Washington, D.C. 20007 Tel: +1 (202) 742-1600, Ext. 136	1801 P Street, N.W Washington, D.C 20036 Tel: +1 (202) 483-7500 Fax: +1 (202) 462-8815

How to Travel to Iraq

There are a growing number of commercial airline flights from Europe and the U.S. to Iraq's main cities.

Available Flights (selection)

Originating Airline	Origination	Transfer	Destination	Frequency
Emirates (EK)	New York	Dubai	Baghdad	Daily
Royal Jordanian (RJ)	New York	Amman	Baghdad	Daily
Turkish Airways (TK)	New York	Istanbul	Baghdad	Daily
United (UA)	Washington DC	Kuwait	Baghdad	Daily
Royal Jordanian (RJ)	Amman	(Non-stop)	Baghdad	Daily
Iraqi Airways (IA)	Stockholm	Athens	Baghdad	3 x week
Iraqi Airways (IA)	Dubai	(Non-stop)	Baghdad	3 x week
Iraqi Airways (IA)	Amman	(Non-stop)	Baghdad	3 x week
Iraqi Airways (IA)	Damascus	(Non-stop)	Baghdad	3 x week
Iraqi Airways (IA)	Istanbul	(Non-stop)	Baghdad	3 x week
Iraqi Airways (IA)	Dubai	(Non-stop)	Najaf	2 x week
Turkish Airways (TK)	Istanbul	(Non-stop)	Baghdad	4 x week
Royal Jordanian (RJ)	Amman	(Non-stop)	Erbil	Daily
Royal Jordanian (RJ)	Amman	(Non-stop)	Sulemaniyah	2 x week
Royal Jordanian (RJ)	Amman	(Non-stop)	Basra	2 x week
Austrian	Vienna	(Non-stop)	Erbil	4 x week
AtlasJet	Istanbul	(Non-stop)	Erbil	3 x week
AtlasJet	Istanbul	(Non-stop)	Sulemaniyah	3 x week

Airline websites

Airline	Website
Iraqi Airways	www.iq-airways.com
Emirates Airlines	www.emirates.com
Turkish Airlines	www.thy.com
Royal Jordanian	www.rj.com
Austrian Airways	www.aa.com
Atlas Jet International	www.atlasjet.com

Security and Insurance Solutions

Information about private security companies operating in the country can be obtained from Ministry of the Interior of the Republic of Iraq (www.moi.gov.iq) or your country's embassy.

Comprehensive travel and medical insurance is available from a number of specialist providers, including:

THB Clowes	www.thbgroup.com
Anderson Lloyd International	www.andersonlloydintl.com/
Clements International	www.clements.com
Global underwriters	www.globalunderwriters.com
Atlas Direct	www.atlasdirect.net
TFG Global Insurance Solutions Ltd	www.tfgglobal.com/specialrisks.htm

Places to Stay

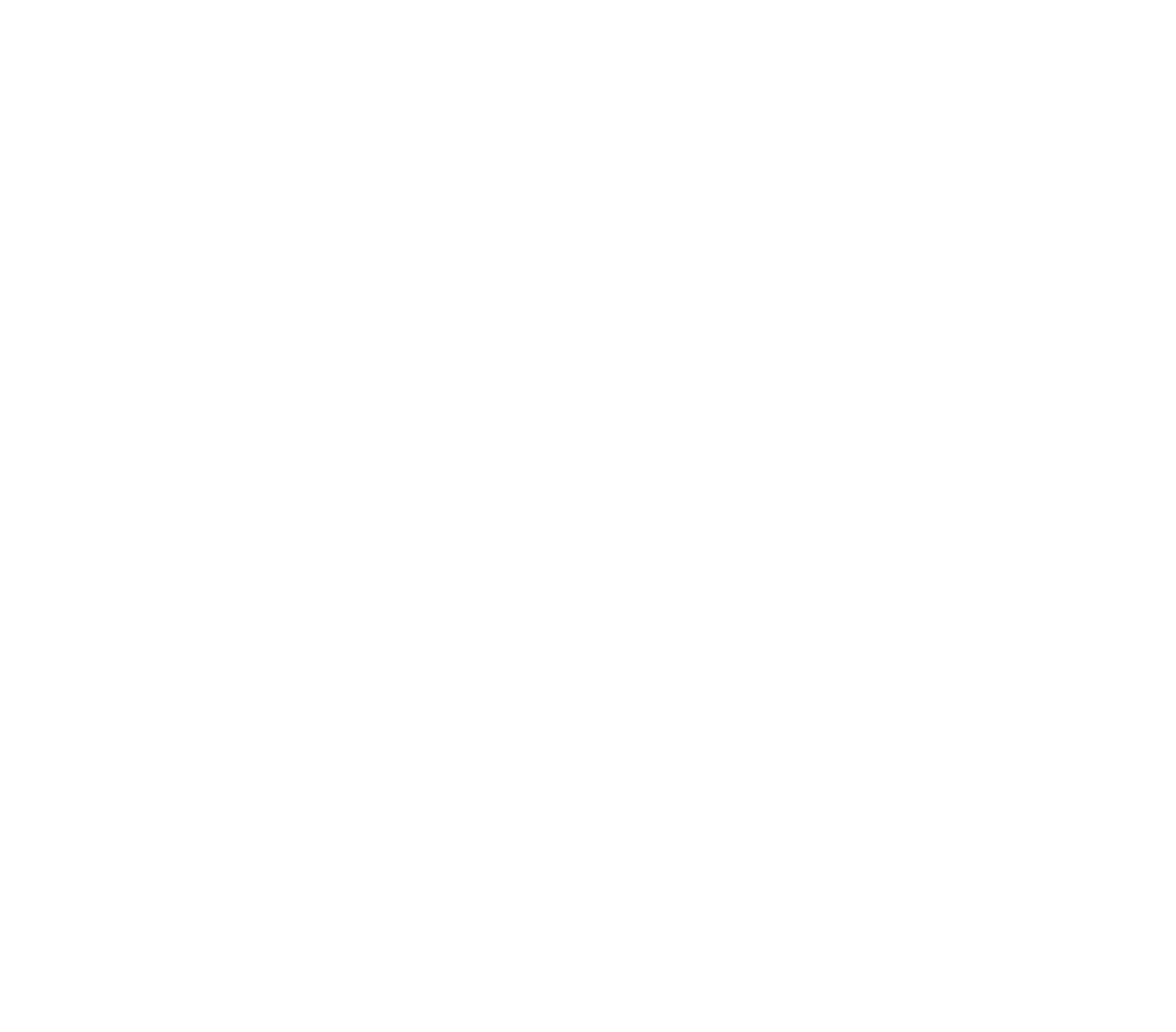
The most popular hotels in Baghdad are located near the Tigris River. Hotels inside the International Zone (IZ) (formerly known as the "Green Zone") include the 400-room Al-Rasheed Hotel, which has recently been refurbished. The Al-Mansour Hotel is also located in the IZ, on the river bank. There are several popular hotels in the Al-Rasafa district on the eastern side of the Tigris river. These include the Ishtar Hotel, which is near the trade market overlooking the Tigris, and the Palestine

Hotel which is close by. For business people who prefer to stay outside the city, Baghdad International Airport Hotel opened in November 2008.

Selected Hotels	Telephone
Al-Rasheed Hotel	+964 1-885-1000
Al-Mansour Hotel	+964 1-885-3323
Palestine Hotel	+964 1-887-1357
Ishtar Hotel - Saadoun St, Baghdad	+964 1-888-9500
Baghdad International Airport Hotel	+964/770-434-3505

Communications

Zain, Asiaccell and Korek provide mobile telephone services. Internet connections are available; speed is currently comparable to an early DSL connection, though available bandwidth is growing. IT systems in the ministries are generally outdated, so responses to emails can sometimes be slow. Investors should be aware that many senior ministry officials use 'Hotmail' or 'Yahoo' email addresses, and that many of these inboxes are monitored by multiple individuals.





Photos courtesy of Tina Hager



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