I. Customs clearing Booklet

In a co-operation with a leading international law firm we have published a little booklet explaining the customs clearing process for regular imports to Iraq. The booklet covers the rules and regulations for import to private companies as well as to governmental companies, except for the IoC's. If you wish to get such a booklet, please let us know and we will send it to you by mail.

II. VoC - Verification of Conformity Inspection

Starting from July 1st, a VoC "Verification of Conformity" Inspection Certificate issued by SGS or Bureau Veritas is now required for:

- All imports for the private sector, subject to the condition that the goods you like to ship, are on the relevant cargo list.
- All imports for the governmental sector, subject to the condition that those contracts are not exempted from duties and taxes.

A guideline of costs which have to be considered for this can be found attached to this letter: click here.

Fresh updates can also be found at www.sgs.com and <a href="ht

III. Legalization of Commercial Documents

The Iraqi Authorities are requesting legalized documents now. Please find below a short summary of what is in place right now and what is not in place yet.

- Legalization of Commercial Documents
 Every entrance point is now asking for documents legalized by the Iraqi Consulate in the Country of Origin, except at the Kurdistan Border points of Ibrahim Khalil and Erbil / Suleimaniyah airports.
- Import Licence
 Imports for account of the Iraqi private sector
 require an Import License issued by the Ministry of
 Trade. For governmental Imports, such an import
 license is not yet required.
- New Customs Tariff (Law No.22)
 The new Customs Tariff is not yet in place. The Government stopped the implementation of the new Tariff at the last moment.

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VI. First large general cargo Vessel discharged at Khor al Zubair Port

MGI chartered a large general cargo Vessel for a 33,000 cbm shipment from a US port to Iraq. This vessel

arrived to Khor Al Zubair Port and has been discharged in a record period.





III. Border situation

a.) Al Karameh / Trebil (Jordan/Iraqi border)

Due to the new regulations mentioned under Point No.II in this Newsletter the border of Al Karameh is heavily congested these days. About 9,000 trucks are currently enroute from Jordan to Iraq. The Customs at Al Karameh extended the working hours to 24 hrs for the time being.

Iraqi side of the border is going well.

Special attention must be paid to correctness and availability of complete documentation at all border points but especially at Jordan/Iraqi border.

The majority of the goods is being transshipped from Jordan to Iraqi Trucks at the border line.

b.) Syrian/Iraqi borders

Due to the political situation we are not using the Syrian gateway right now.

c.) **Habour / Zakho** (Turkish / Iraqi border)

The traffic between Turkey and Iraq is constantly increasing. Approx \pm 2,000 trucks crossing the border every day.

So far, the waiting time at the border is approx 2-3 days.

d.) Umm Qassr Port

The flow of commercial cargo for the private sector has significantly decreased due to the new regulations (Import license is required) and as a result of that, the congestion at Umm Qassr port has decreased as well.



So far, the waiting time for Container Vessels at Umm Qassr Port is +/- 5-7 days and for Break Bulk Vessels it is +/- 3-5 days subject to the cargo loaded.



However, the productivity of the port has not really increased and is still affected by fuel and power shortages.

The Port Authorities intend to extend the facilities by building new jetties. If you are interested in further details, please feel free to contact us.

e.) **Safwan/ Abdali** Commercial Border Point (Kuwait / Iraqi border)

The situation at the Kuwaiti / Iraqi border has not really changed during the last weeks. We still monitor a steady and regular flow of goods, mainly for the private sector.

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In case of any questions, do not hesitate to contact us.

Yours faithfully,

M.G. International Transports GmbH



Guideline for inspection charges under the VoC Programm (Germany)

Fees for Conformity Assessment and Issuance of Certificate of Conformity:

Declared value of the shipment (FOB) USD	Applicable fees in USD	Minimum fees USD	Maximum fees USD
Up to 80.000	320	320	320
80.001 to 200.000	0,4% of the shipment value	320	800
200.001 to 1.000.000	800 + 0,3% of the shipment value above USD 200,000	800	3200
1.000.000 & above	3200 + 0,15% of the shipment value above USD 1.000.000	3.200	 No maximum fees

Net fees per vehicles USD		
New vehicles	40	
Used vehicles	55	

^{*}Fees for inspection at Iraqi border points to be paid upon arrival of the goods at the border point (those fees cannot be paid by exporter at the shipment country)

Declared value of shipment (FOB) USD	Applicable fees USD per container or truck or package (air shipment)
Up to 5.000	50,-
5.001 - 10.000,-	75,-
More than 10.000,-	100,-
Sea bulk commodities	250

In case of any further questions pls feel free to contact us:

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