

October 7th, 2011

I. Erbil International Fair 2011

Please be informed that from October 24th upto October 27th 2011 the Erbil International Fair will take place. We are exhibiting and you are welcome to visit us at **Stand No. 2E35**.

II. Baghdad International Fair 2011

Please be informed that the Baghdad International Fair will take place from November 1st up to November 10th 2011. The German Pavilion is placed at Hall No. 18, Stand Nos 1 up to 28. We are exhibiting in Baghdad as well and you are welcome to visit us also at **Stand No. 15**.

III. VoC - Verification of Conformity Inspection

We like to refer again to the VoC Procedure which is in place since July 1st 2011. Below again a short summery of the rules and regulations. Please pay attention that for most of the shipment a VoC is required, for those were it is not required, we recommend that you obtain a "non-objection" confirmation form the inspection company to avoid delays during the customs clearing process.

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: <u>click here</u>.

Fresh updates can also be found at <u>www.sgs.com</u> and <u>www.bureauveritas.com</u>.

Due to the new regulation the clearance procedure at the

borders will be delayed.

III. Legalization of Commercial Documents

We like to highlight also again, that commercial documents require a legalization of the Iraqi Consulate / Commercial Attaché. Please consider that in particular if you like to ship cargo from a third country origin, the legalization requirements can cause difficulties due to the they fact that usually the L/c required "....Invoice and Certificate of Origin to be legalized in the country of origin...". Please contact us if you require more information.

IV. Border situation

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

Due to the new regulations mentioned under Point No.III in this Newsletter the border of Al Karameh is heavily congested these days. Furthermore, the port of Aqaba is congested with a backlog of several thousand containers waiting to be cleared for transit to Iraq.

Therefore, special attention must be paid to correctness and availability of complete documentation.

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 has again increased. Due to this, there is currently a waiting time of approx 10 days (in and out). Therefore, the trucking rates are again increasing.

d.) Umm Qassr Port

The port is currently congested due to a large backlog of cargo. Waiting time for container Vessels is up to one week, for break bulk Vessels subject to draft and cargo between 3-5 days.

Due to the VoC Process a lot of cargo got stacked at the port and is occupying the space, therefore port storage facilities are very much limited for the time being.

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

Due to the recent political disputes the border clearing is taking longer as usual. Please call us for specific information on this routing.

Yours faithfully, *M.G. International Transports GmbH*



Guideline for inspection charges under the VoC Programm (Germany)

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

Fees for Conformity Assessment and Issuance of Certificate of Conformity:

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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