Dear Ladies and Gentlemen, Dear Friends and colleagues,

We are pleased to provide you with our updated Newsletter for Shipments to Iraq. In case of any specific request, please feel free to contact us.

### I. Iskenderun Port / Turkey

Since the end of last year, Iskenderun port has also been privatized. The Turkish "Limak Holding" is now in charge of the management and development of the port. Within the next few years the new operator will invest approx 350 Mio USD into the development of the port. Currently Iskenderun port has 10 jetties and approx 400,000 sqm of storage area. According to the new port operator, they will also develop the container terminal in order to reach approx 150,000 TEU per year. Currently Iskenderun is mainly being used for general cargo. As a result of the new port operator we expect that the port tariff will also change soon.

#### II. Sealing of Containers

From 1<sup>st</sup> of March 2012 onwards, the sealing of containers for shipments out of Western Europe have to be according to ISO Code 17712:2010.

#### III. Security Situation in Iraq

As already reported in our last newsletter, the US troops pulled out of Iraq. Unfortunately the security situation in general is more critical right now. Particular areas which were almost safe, e.g. the southern region, are again critical. The number of attacks in the southern region has increased significantly. Therefore, we recommend paying highest attention to the convoy planning.

#### IV. Request for legalized documents:

We need to highlight again that the Iraqi customs authorities insist on legalized commercial invoices and certificates of origin regardless which entry point is used:

Airfreight (e.g. Erbil\*, Baghdad, Basrah), sea freight (Umm Qasr) or by truck (Zakho\*, Trebil, Safwan).

We recommend doing the legalization in time to avoid any delay and customs penalties.

(\*) Not always requested but we assume this will change in the near future.

Furthermore please be informed that the VoC Procedure which we already reported about is scheduled to be implemented for Northern Iraq as of April,1<sup>st</sup> 2012.

# V. New Regulations for shipments to loC's via Southern entrance points

Please consider that with immediate effect the Ministry of Oil has implemented new requirements for how to issue the shipping and commercial documents and how to deliver them to SOC. Please contact us for further details.

# VI. New Regulations of KRG Authorities for shipments to IoC's in Iraqi Kurdistan.

According to an official letter of the "Iraqi Kurdistan Region Council of Ministers, Ministry of Natural Resources" the importation and exportation of oilfield supplies is not permitted at all without an approval by the Ministry.

#### VII. Border situation

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

Border is working well but subject to absolute correctness and availability of all original (legalized) documents such as Certificate of Origin and Commercial Invoice.

#### b.) Syrian/Iraqi borders

Due to the current political situation we are not using the Syrian gateway right now. The unstable situation inside Syria has also had an impact on the Turkey/Syria and Jordan/Syria borders for cargo headed for Syria as well as for cargo in transit. Therefore the Turkish and Egyptian government have signed a general agreement to install a regular ferry connection from Mersin to Alexandria. Later on Aqaba / Jordan shall also be connected. However no schedule is available as per today.

### 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 10-12 days (in and out). Therefore the trucking rates are again increasing.

#### d.) Umm Qasr 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.



## e.) Safwan/Abdali

Commercial Border Point (Kuwait/ Iraqi border)

Due to the recent political disputes the border clearing is taking longer than usual. Furthermore the Iraqi authorities only issue a very limited number of Visas for Drivers therefore the number of Kuwaiti trucks is very limited.

Yours faithfully,

M.G. International Transports GmbH

