





YOUR RELIABLE PARTNER FOR SHIPMENTS TO IRAQ

June 5th , 2018 NEWSLETTER

Dear Clients, Partners and Friends,

we are pleased to update you on the current situation in Iraq as follows:

1. Latest News

▶ <u>Ramadan & EID</u>

The holy time of Ramadan will end most likely on June 14th followed by EID holidays. During Ramadan the working hours are limited and mostly only in the morning hours. We expect that the EID holidays will be from June 14th till June 23rd. Most of the government offices including customs will be closed during this period. After EID we expect a backlog in the customs clearing and shortage in trucks and equipment

► <u>Cancellation of Duty & Tax</u> Exemptions

It has been noticed that for new contracts, signed in 2018, no exemption for duties and taxes are granted anymore. Even if the delivery terms are "CIF Baghdad ..." the Iraqi Ministries expect that the shippers cover the duties and taxes. Usually a short text like "....the seller bears all customs charges.." will be added to the contract. We strongly recommend to discuss the duty and tax exemptions in details with the consignees.

Renewal of DEL & TEL

Contracts signed in 2017 and before are still exempted from duties and taxes; if it is stipulated in the contract. However a new duty and tax exemption issued in 2018 needs to be available.

Umm Qassr Port Clearing

- New Port Tariff The new port tariff has been implemented by the Iraqi Port Authorities.
- Mid Customs Since 1st June, most of Iraqi Ministries are requesting a clearing of their goods by "Mid Customs Office" as UMQ Port. If cargo arrives to other terminals / customs points e.g. UMQ South Port, a shifting of the goods is required. Same may apply for cargo arriving to Northern Port terminals.

► <u>Customs Tariff</u>

General Customs Authorities published a new customs tariff. According to this tariff, usually the following four categories of duties may apply: 5.0%, 10.0%, 15.0% and 30.0%. Please contact us if you wish to receive more details.

2. Border situation

Ibrahim Khalil border

Security situation is stable. Border gates are open. The waiting times are around 2-4 days.

Import regulations via the Kurdish entry points (Ibrahim Khali Customs, Erbil airport and Sulaimaniyah airport) have become more strict in regard to the quality control procedure. Subject to the kind of cargo and the receiver a pre-shipment inspection certificate (either Col or CoC), based on the **Consignment** Based Conformity Assessment (CBCA) Program for KRG" regulations, is mandatory. For the KRG region only Messrs INTERTEK is authorized to issue such certificates

▶ Jordanian/Iraqi border

The border gates are open. Operation is running smoothly. Mainly goods such as foodstuff and local Jordanian Products are imported through this gateway for the time being.



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Saudi Arabian/Iraqi border

The border gates are open. As per now no obstacles are registered.

3. Airfreight

Courier Shipments

All cargo, including cargo shipments by courier companies require a proper customs clearing at the relevant customs airports e.g. Baghdad or Basra.

▶ <u>Baghdad/Basrah Airport</u>

Airport operations are running smoothly and no obstacles are registered.

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Erbil Airport

Airport operations are running smoothly. Regular passenger and partly full cargo flights are available.

However, due to the high demand of aircargo, a proper pre-booking is required.

4. Ocean freight

Umm Qassr/Khor Al Zubair Seaport

Port operations are running smoothly and no obstacles are registered.

Mersin/Iskenderun seaport

Port operations are running smoothly and no obstacles are registered.

5. Overland Transport

<u>RoRo Ferry Trieste-Mersin and</u> <u>Route via Balkan</u>

Cargo movements via Trieste-Mersin RoRo Ferry are running smoothly and no obstacles are registered.

Thank you for your attention. Yours sincerely, M.G. International Transports GmbH

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