







YOUR RELIABLE PARTNER FOR SHIPMENTS TO IRAQ

December 17<sup>th</sup>, 2018 NEWSLETTER

Dear Clients, Partners and Friends,

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

# 1. Customs Clearing

#### **Duty & Tax Exemptions**

Please pay attention Duty and Tax Exemptions issued for the year 2018 usually expires by Dec 31<sup>st</sup> 2018.

If you have to deliver under old contracts in 2019, you need to obtain and activate a new Duty and Tax Exemption letter (DEL & TEL) valid for the New Year otherwise clearing of goods will not be possible from January 1<sup>st</sup> 2019.

#### Clearing under Guarantee Letter

Certain Ministries, particular the Ministry of Health, Defense, Interior, Electricity and the Ministry of Oil have dedicated agreements with the Iragi Customs Authorities to clear cargo under so called "quarantee letters", if legalized documents are not available or re-newed DEL & TEL letters are not available. Please consider that in such a case the previous guarantee letter must be completed prior to do another clearing under a new guarantee letter.

# 2. Customs Checkpoints

 No additional checkpoints between KRG and Central Iraq:

The recently established customs checkpoits ( Sherwa, Leelan, Faydah ) have been closed with immediate effect.

The documentary requirements remain unchanged and the import procedures will be finished completely at Ibrahim Khalil Customs.

### 3. Liberated Areas

Deliveries to liberated areas such as e.g. Fallujah, Ramadi (Anbar province) or Mosul are generally possible. However for certain destinations dedicated approvals (traveling passes) issued by the security authorities are required.

# 4. Revised Customs Tariff

Based on the Council of Ministers Resolution No 391 for 2018 and dedicated request letters of the Ministry of Health and the Ministry of Agriculture, customs duties for Medical and Agriculture Equipment has significantly been reduced. Please contact us for further details.

# 4. Certificate of Origin

The Iraqi General Customs has announced revised instructions for the Certificate of Origin related to the import of goods for the private sector. According to those instructions, Imports for the private sector do NOT require anymore the legalization of the CoO by the Iraqi Consulate. A legalization by the Chamber of Commerce and e.g. the Arab-German Chamber of Commerce "GHORFA" are sufficient.

However, we expect specific handling instructions in this regard in the near future. For the governmental cargoes, nothing has changed, still legalized documents are required.

### 5. New Customs Yard in KRG for dedicated cargo

Since beg. of December 2018, cargo related to the health and medical sector (FTL only) get sealed at Ibrahim Khalil Customs









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# and guided to SEMILE (10 kms n/o Dohuk City ) customs:

https://www.google.de/maps/place/ Semile,+Irak/@36.8629678,42.85 09712,15z/data=!4m5!3m4!1s0x40 08f4e2e8825d0d:0x13423f3c6e62 4483!8m2!3d36.8608157!4d42.84 76419?hl=de

Here the customs clearance is done by the importers broker. LTL cargo / combination trucks can still be cleared at Ibrahim Khalil border.

#### <u>6. Expected changes for</u> <u>Imports to Iraq</u>

➢ Federal Budget Currently the Parliament is discussing on the new Federal Budget. We expect that there will also be new rules related to duties and taxes implemented.

➢ New Port Tariff Most likely there will be a new port tariff in place for 2019. Details have not yet been released. Last but not least we would like to thank you for your cooperation and support during the year.

We wish you all the best for the season, Merry Christmas and a Happy New Year 2019.

Yours sincerely,

#### M.G. International Transports

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