



## EXPORTING U.S. GOODS TO IRAQ

September 2010

This document, compiled by the *Iraq Investment and Reconstruction Task Force at the U.S. Department of Commerce*, addresses many frequently asked questions regarding exporting U.S. goods to Iraq.

The U.S. Department of Commerce promotes U.S. exports to Iraq by providing technical guidance and strategic direction to U.S. companies.

### **Removal of Iraqi Trade Sanctions:**

Beginning in 1990, a series of U.S. and U.N. economic sanctions greatly limited international trade with Iraq; however, these restrictions are no longer in force. In 2003-04, the combined actions of UN resolution 1483 and U.S. Executive Order 13350 removed the vast majority of previous trade restrictions with Iraq. **As of July 2004, trade regulations with Iraq were returned to a largely normalized state.** There are some export licensing restrictions governing sensitive “dual use” products, weaponry, transactions connected to “end users of concern”, and transactions with specific individuals or companies targeted by U.S. and international economic sanctions. **Nonetheless, for many transactions, no special licenses or restrictions apply for U.S. exports to Iraq.**

### **U.S. Export Requirements:**

**Current U.S. export license requirements for Iraq are not that different from those that apply to many other foreign markets and are similar to those that apply to other foreign markets in the Middle East.** To determine if an export license is needed, an exporter should consult the regulations regarding licensing requirements and procedures for exporting and re-exporting to Iraq, as described by the U.S. Department of Commerce’s Bureau of Industry and Security (BIS) and available online [here](#). Firms may also wish to consult BIS’s list of Frequently Asked Questions for Iraq [here](#). Finally, companies may contact the BIS Exporter Counseling Division at 202-482-4811 or online at its Contact BIS page [here](#).

The BIS controls on exports to Iraq are unique in some aspects, including the parameters of “end-use controls” and the licensing requirements for transfers within Iraq. The Department of Commerce advises companies to review BIS’s posted guidance carefully and contact the BIS Exporter Counseling Division with any questions.

When working with BIS, an exporter should have the following information available: Export Control Classification Number (ECCN), description of export item, destination of export, who will receive the product(s), intended use of the export, and other activities the recipient of the export is involved in. The ECCN is an alpha-numeric code (e.g. 3A001) that describes a particular item or type of item, and shows the controls placed on that item. All ECCNs are listed in the Commerce Control List (CCL) (Supplement No. 1 to Part 774 of the Export Administration Regulations), which is available from the BIS website [<http://www.bis.doc.gov/>]. Items that are not specifically described on the CCL but that are still subject to the Export Administration Regulations are designated as EAR99. BIS's Exporter Counseling Division can assist companies to determine their products' ECCN or EAR99 designation.

### **Prohibited Persons for Iraq:**

Trade with certain persons in Iraq, associated with the former Hussein Regime or engaged in other illegal activity, continues to be prohibited. For more information on BIS export license requirements that apply to restricted end-users, consult part 744 of the Export Administration Regulations, Title 15 Code of Federal Regulations [here](#). You should also verify that the entity you are exporting to does not appear on the lists identified [here](#).

The [Office of Foreign Assets Control \(OFAC\)](#) of the U.S. Department of the Treasury also administers and enforces economic and trade sanctions. These prohibitions are based on U.S. foreign policy and national security goals against targeted foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction. OFAC sanction lists can be found [here](#), and you should verify that the entity you are exporting to does not appear on an OFAC list.

### **Transferring U.S. items within Iraq**

License requirements that apply to exports to Iraq also apply to the transfer within Iraq of U.S. items on the Commerce Control List. If you export an item to Iraq that does require a license, be aware that the transfer of that item within Iraq may require additional authorization. Consult the Export Administration Regulations or contact BIS for more information.

### **Iraq Import Requirements:**

U.S. firms seeking to export to Iraq must comply with Iraqi customs regulations. The following customs documents are required for imports under the Iraqi Law of Customs No. 23 (1984) and are outlined on the website of the Iraqi Trade Information Center [here](#):

- Customs Declaration Form
- Commercial invoice approved by the Chamber of Commerce and Industry or any other authority accepted by the customs administration, and certified by the concerned authorities (documents must contain actual signatures, as digital signatures are not recognized by Iraqi Customs)
- Bill of Lading or similar document establishing a visible link between the cargo and the contract

- Certificate of Origin, certified by the Chamber of Commerce and Industry or similar body

### **Certifying Documents for Iraqi Ministries:**

Many Iraqi ministries require importers to provide authenticated/certified documents from their home governments. If such documents are requested, companies should get as much detail as possible about the certification requirements and be sure to follow those instructions closely.

The following guidelines outline some of the formal procedures that can be followed to authenticate documents in the United States and provide some guidance on other types of certification available:

- The State Department offers document authentication services for U.S. firms conducting business with a foreign government. This process is detailed on the State Department's website [here](#).
- When certification from a Chamber of Commerce is required, companies in the past have used the National U.S. Arab Chamber of Commerce (NUSACC). NUSACC states that certification can usually be given on the same day provided the documents are received before noon. For more information about their services visit the NUSACC website [here](#).
- If a company is asked for certification from the Iraqi Embassy in their home country, it should request certification through the Embassy of Iraq's Commercial Office. The Iraqi Commercial Office is located at 1155 15th Street, Suite# 1100, Washington, D.C. 20005 and can be reached at [commercialattache@icous.org](mailto:commercialattache@icous.org), (202) 822-2088 or can be visited online [here](#).

### **Iraqi Customs Issues:**

The Government of Iraq currently charges a 5 percent reconstruction levy on the total invoice value of all goods imported into Iraq from all countries, with some exceptions.<sup>1</sup> Food, medicine, clothing, books and humanitarian goods, as well as items imported by Coalition forces, reconstruction contractors, NGOs, international organizations, diplomats, and Coalition governments are exempt from the levy. Finally, goods imported under Oil for Food contracts are also exempt. For more information on tariffs and duties please see Export.gov's Country-Specific Tariff and Tax Information page [here](#). In order to claim an exemption to the reconstruction levy, exporters will need to file the Reconstruction Levy Exemption Form with Iraqi Customs.

The Calculations of the ad-valorem reconstruction levy are assessed in accordance with Article VII of the General Agreement on Tariffs and Trade 1994 (GATT), and in accordance with CPA Order 54. The current Iraqi tariff system classifies goods down to the four (4)-digit level based on Customs Cooperation Council Nomenclature (CCCN). The Harmonized Classification System

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<sup>1</sup> The reconstruction levy is in accordance with Coalition Provisional Authority (CPA) Orders No. 38 and 54, as amended by Orders No. 70 and Section 3, paragraph 16, of CPA Order No. 100.

is in the process of adoption. The Ministry of Trade's Iraq Trade Information Center has more detailed information on customs regulations available [here](#). Iraqi Customs has final say in all Iraqi import and export matters.

**Business Registration in Iraq:**

U.S. companies seeking to operate in Iraq, or to provide goods or services directly to the Iraqi government, are required to register with the Iraqi Ministry of Trade. U.S. companies engaged strictly in exporting to Iraq are not required to register.

For instructions on completing the business registration process, please visit the website of the Iraqi Commercial Office at the Embassy of Iraq in Washington, DC [here](#). For questions regarding business registration in Iraq, U.S. companies should contact the Iraqi Commercial Office at (202) 822-2088 or [commercialattache@icous.org](mailto:commercialattache@icous.org).

**Fraud Warning:**

Companies should be aware of the potential for fraud when conducting business in Iraq and should be vigilant in all of their proceedings. For information on fraudulent activity in Iraq see the Iraq Investment and Reconstruction Task Force's Fraud Warning [here](#).

**Questions:**

For specific questions regarding exporting to Iraq please contact the U.S. Department of Commerce Iraq Investment and Reconstruction Task Force:

Telephone: 1-866-352-IRAQ (4727) (toll-free); (202) 482-3011

Fax: (202) 482-0980

E-mail: [Iraqinfo@mail.doc.gov](mailto:Iraqinfo@mail.doc.gov)

Website: <http://trade.gov/iraq/>

You may also wish to contact your local U.S. Export Assistance Center, which can be found [here](#).

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