

R O U N D - U P

Iraqi Business News, July 22–27, 2006

Iraq's Daily oil production could reach 2.5 million barrels end of 2006

A director at the Ministry of Oil said that Iraq's oil production may reach 2.5 million barrels per day by the end of 2006. He added that Iraq may issue a new oil investment law that will enable foreign companies to participate in developing the Iraqi oil industry and that Iraq will need \$20 billion US dollars in foreign investments to raise daily oil production to 6 million barrels.

***Al-Mashriq, Al-A'dala,
Al-Sabah, Al-Sabah Al-Jadee***

Minister of Transportation and French Ambassador discuss transportation issues

Iraq's Minister of Transportation met with the French Ambassador in Iraq to discuss ways to strengthen economic relations between the two countries, especially in the field of transportation. The Iraqi Minister raised issues relating to a contract between the Iraqi railways state company and the French Alstom railway company. The Minister also asked the French ambassador to activate the contract signed between Iraq and France to provide Iraqi Airways with Airbus airplanes. That agreement was suspended due to the second Gulf war.

Addustour

Investment law of Kurdistan denies foreign investors right to possess land

The new investment law in Kurdistan is not allowing foreign investors the right to possess land. Foreign investors will be allowed to make direct investments in the following sectors: industry, constructions, transportation, electricity, services, agriculture, tourism, health, environment, banking, insurances and education. The investors will benefit, among others, from a 10-year tax exemption, a customs tax exemption for imported equipment and machinery and free repatriation of capital and profits.

Attaakhi, Addustour, Al-Sabah

Provisions of the new investment law address pave way for foreign investment

The new investment law allows for hiring foreign staff and guarantees the right of foreign staff to send their salaries abroad. The law foresees the reduction by 50% of licensing fees in the construction sector and establishes an investment committee to oversee this.

***Al-Mashriq, Al-Bayynah Al-Jadidah,
Al-Sabah Al-Jadeed***

Egypt to host first Arabic "Rebuild Iraq" Fair in September

The General Secretary of the Arabic Economic Union said that Egypt will host the first Arabic "Rebuild Iraq" Fair from September 6th to September 8th. He said that the event will help in rebuilding the infrastructure of Iraq and that many Arabic businessmen and Egyptian ministers will participate. The General Secretary added that many Iraqi businessmen will have an opportunity to sign economic contracts with other Arabic businessmen in fields such as electricity, oil and cement.

Al-Mashriq, Al-Sabah Al-Jadeed

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\$20 million allocated for 16 rebuilding projects in Babil

The Rebuilding Team for the Babil governorate recently presented to the Mayor of Babil rebuilding projects for 2006 developed in cooperation with U.S. Military engineers. The Rebuilding Team stated that the money allocated for these projects (20 million US dollars for 16 projects) will be delivered next week.

Al-Sabah Al-Jadeed

Iraq and U.S. sign economic and commercial agreement

The Iraqi Minister of Trade and the US Secretary of Commerce signed a bilateral commercial agreement on July 17th in Baghdad. The Minister of Trade declared that the agreement will play an essential role in the development of the Iraqi economy, with the support of American experts. It will also help Iraq rebuild its infrastructure, will encourage exports and imports and will facilitate Iraqi industry's access to state-of-the-art technology.

Al-Sabah Al-Jadeed, Attaakhi, Al-Adala

Iraq and Iran to cooperate in communications and IT sectors

A director in the Iranian IT and Communications Ministry expressed Iran's desire to develop the communication networks in the southern Iraqi cities of Karbala and Najaf. He added that Iran has allocated one billion US dollars for communication projects in these governorates, to be implemented by private Iraqi companies.

Al-Sabah Al-Jadeed, Attaakhi

IACCI signs cooperation protocol with Iran

The Iraqi – American Chamber of Commerce and Industry (IACCI) recently signed an economic cooperation protocol with the Trade Attaché of the Iranian Embassy. An IACCI representative said that Iraq needs economic support from its neighboring countries for the rebuilding process. He invited the Iranian companies to participate in the second "Rebuild Iraq" fair in Kurdistan on 11th November, 2006.

Al-Sabah Al-Jadeed

Chinese companies to support rehabilitation of Iraqi electricity systems

The Iraqi Minister of Electricity met with the Chinese Ambassador in Iraq on July 23rd, 2006 to discuss possibilities for Chinese companies to resume work on rehabilitation of Iraq's electricity sector. The Iraqi Minister said that the Iraqi government is ready to activate the signed contracts with Chinese companies that were terminated due to security concerns.

Al-Mashriq

Italy grants 850,000 Euros to Nasriyah for oil-industry improvements

A director on the Al-Nasriyah governorate board said that the Italian government has granted 850,000 Euros to the governorate for investments in new oil equipment, such as crude oil filters, and for developing two new maintenance units and other technical units.

Adustour

State owned companies participate in the rebuilding of Iraq

The Diala Electric Industry Company, which belongs to the Ministry of Industry and Minerals, signed a contract with the Ministry of Oil to provide six electricity distribution units at a cost of 24 million Iraqi dinars. A director in the Ministry of Industry said that state owned companies have been participating in the rebuilding of Iraq, especially in the oil, electricity and construction sectors.

Ataakhi

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Minister of Trade says new trade law is being drafted

The Minister of Trade says that the ministry is currently drafting a new trade law that will actively support Iraqi exports. The Minister said that new regulations will allow for better control of expired food product imports and will end the administrative corruption among customs staff. He added that he hopes that Iraq will join the World Trade Organization following adoption of the law.

Al-Mashriq

Iraq to participate in Damascus International Fair in September

The Iraqi Minister of Trade announced that Iraq will participate in the Damascus International Fair from September 3rd to September 12th. He added that Iraq's participation will strengthen trade and economic relations between Iraq and Syria. The Minister hopes that Iraqi businessmen will sign contracts for food production, construction and industry fields.

Al-Mashriq

Italian companies consider agricultural investments in Kurdistan

The Minister of Agriculture in Kurdistan met with an Italian delegation to discuss the possible investment by Italian companies in agricultural projects. The Minister confirmed that agriculture in Kurdistan is facing many problems including the need for foreign agricultural experts.

Al-Sabah-Al-Jadeed

New investment law under final review

The Parliament sent the new investment law draft to the Investment Committee for final review. The final vote is expected to take place on the 10th of August.

Al-Adala

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