

## **R O U N D - U P**

*Iraqi Business News, December 2 – 7, 2006*

### **Presidency council endorses investment law**

The Presidency Council endorsed investment law no.13 for the year 2000, which was already approved by Council of Representatives. This law will support economic and social development as well as provide technical expertise and job creation for Iraqis by encouraging investors to invest in Iraq.

***Al-Adala***

### **Maysan provincial council calls for investment**

The Maysan provincial council called upon companies and local and international capitalists to invest in Maysan province. Taha Al-Dhayf, head of the investment committee in the provincial said Wednesday, "The legislative and executive authorities in the province will provide all the guarantees to have investment projects in all different economic fields." He added that the council plans to hold a workshop for the businessmen in the province to introduce the Iraqi investment law recently approved by the Parliament. The Parliament endorsed the Iraqi investment law last October 10 and it was referred to the presidency council to be endorsed and become effective.

***National Iraqi News Agency***

### **Rehabilitation of unit in Dora refinery completed**

The engineering and technical staffs of the Middle Region Refineries Company have accomplished rehabilitating the unit of wax removing and engine oil production in the Dora oil refinery. A company source said Wednesday that this unit was considered a main unit in the oil products production process. He added, "This unit had been sabotaged when it was mortared, which resulted in setting it on fire and affecting its production lines, especially pipes, towers and production units.

***Al-Mada***

### **No US Dollars sold in CBI auction on Thursday**

For the first time in Iraq since the downfall of the former regime, the Central Bank of Iraq (CBI) did not sell US dollars on Thursday's auction. The US Dollar price was 1435 Iraqi Dinars. None of the banks participated in the Thursday session, in which the price of the US Dollar was 1435 Dinars. The Iraqi Dinar exchange rate has been going up in the recent days. The head of research in the CBI has attributed this development to the law of supply and demand, excluding the security situation's influence in this case.

***Al-Sabah Al-Jadeed***

### **CBI sells seven million US Dollars**

The Central Bank of Iraq sold seven million US dollar in the first auction this week, as there were no sales of US Dollar on Thursday's auction. The Iraqi Dinar's exchange rate went up on Sunday as the US Dollar price became 1433 ID whereas the price was 1435 on Thursday's auction. Only three banks participated on Sunday; none of the banks participated on Thursday's auction.

***National Iraqi News Agency***

### **2007 budget includes development funds for regions**

The ministry of Planning declared Sunday that the 2007 budget has allocated huge amounts of money for developing regions. A ministry source said Sunday, "Developing the regions is included in the 2007 budget to activate economic activities in the provinces as part of the provinces developing program." The source added that the ministry was coordinating with provinces to select projects based upon priorities and organizing work to avoid duplication

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between these projects and the implemented investment projects by ministries. The ministry has organized many workshops with provincial authorities to address the problems that face investment projects, which are to be implemented within the assigned timetable, according to the source.

***Al-Adala***

### **Tax imposed on imports coming through Basra ports**

The Basra provincial council has decided to impose a customs tax of 1% on the materials that enter Iraq through ports and border entrances in Basra. The head of the economic committee in the council, Munadhil Al-Mayahi, said Saturday, "This tax, which is imposed on the imports that enter Iraq through Basra's three ports and Iraqi borders with Iran and Kuwait will be allocated for some projects in Basra and to rehabilitate services projects." The council has already allocated ID 11 billion since last July to clean Basra for one year and has allocated ID one billion for the Basra health department.

***Al-Sabah Al-Jadeed***

### **Oil sector reconstruction needs more than \$20 billion**

The assistant director of the reconstruction office in Baghdad said Sunday that Iraq's oil sector needs about \$20 billion in order to be reconstructed. Col. Robert Case, in a press conference held in Baghdad, said the real funds the oil sector needs to be reconstructed might reach \$20 billion. He said the U.S. government has allocated \$1.72 million as a grant for Iraq's oil sector, and about \$1.2 million was spent so far on the projects.

***Al-Sabah Al-Jadeed***

### **Tax Directorate prepares annual plan**

The General Tax Directorate has announced that it is in the process of presenting the annual tax program for 2007. A source in the directorate said Tuesday that next year's plan differs from the previous ones in adopting a method that encourages taxpayers to pay taxes voluntarily, in addition to bypassing the previous administrative shortcomings. "Coordination will be set with the concerned offices to come up with suitable mechanisms to activate the taxation activities, which is in the best interest of the national economy." The source has denied the news reported by media that customs duty collection is linked with the tax directorate, adding that the customs duty collection is irrelevant to tax directorate activities.

***National Iraqi News Agency***

### **Ministry of Trade studies re-opening exporting/importing state company**

The ministry of trade has said that it is studying re-opening the state company for importing and exporting, which had been annulled by the coalition provisional authority. A ministry source said Tuesday, "The aim of this process is to develop importing and exporting activities according to new mechanisms in order to enable the ministry to check all the origins of materials regarding imported and exported goods." The source added that the ministry is considering rehabilitating this company, which is important to the development of exporting and importing activities, based upon new visions.

***National Iraqi News Agency***

### **Iraqi Parliament looks at plan to distribute percentage of oil revenue to the people**

MP Noor Ad-Deen al-Hiali of the Iraqi Accord Front said that parliament was studying a project that would commit the government to distributing 30% of each month's oil revenues among the people, adding that the proposal will be discussed with the Minister of Planning and the head of the parliamentary economic council. The proposal, if approved, could distribute around \$10 billion monthly, but will not extend to individuals earning monthly salaries over one million Iraqi Dinars [~\$700], criminals, and Iraqi immigrants.

***Al-Sabah***

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### ISX declines

- The index of the Iraqi Stock Exchange closed Wednesday on 25.263 points, with a decline of 0.193% from that of Monday's session. On Wednesday, 36 companies traded more than 341 million shares worth of more than 535 million Iraqi Dinars.
- In the banking sector, 11 companies traded their shares; three banking companies achieved an increased in their share prices, three had a decline in their share prices while the remaining five kept the current prices of their shares.
- The banking sector closed at 36.625 pints. 226 million shares were traded, or 66.3% of the total shares traded. These were worth 368 million Iraqi Dinars representing 68.8% of the total value traded.
- In the industrial sector, 12 companies traded their shares; seven of them had a decline in their share prices, and the remaining five kept their share prices at the same previous level.

The industrial sector closed at 11.143 points, with a decline of 0.562% from the previous session. The total number of shares traded in the industrial sector was 57 million shares worth 61 million Iraqi Dinars. ***Al-Mada***

### CBI sells more US Dollars

The Central Bank of Iraq's total sales of US Dollars increased on Wednesday to 14.7 million US Dollars, whereas only 9.085 million US Dollars were sold on Tuesday. The exchange rate of the Iraqi Dinar kept going up against the US Dollar. The US Dollar exchange rate was 1426 Iraqi Dinars on Wednesday, whereas it was 1429 Iraqi Dinars on Tuesday. The Central Bank bought on Wednesday 848,000 US Dollars, at the price of ID 1424, whereas it bought 3,300,000 US Dollar on Tuesday at the price of ID 1427. Nine banks participated in Wednesday CBI auction, which is the same number of participant banks on Tuesday.

***National Iraqi News Agency***

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