



الغرفة العربية اليونانية للتجارة والتنمية
ΑΡΑΒΟ-ΕΛΛΗΝΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ ΕΜΠΟΡΙΟΥ & ΑΝΑΠΤΥΞΕΩΣ
ARAB-HELLENIC CHAMBER OF COMMERCE & DEVELOPMENT

جمهورية العراق Republic of Iraq



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The Iraqi Economy

■ Population	38 mln
■ GDP	192.7 billion USD (2016 est)
■ GDP per head	5.800 \$
■ Public Debt	63.7% of GDP (2016 est)
■ Total Exports	56.7 billion USD (2017 est)
■ Total Imports	36.5 billion USD (2017 est)
■ Trade balance	20.2 billion USD (2017 est)

The Iraqi economy



- **Domination of the hydrocarbons sector**

OPEC's second-largest crude oil producer and home to the world's fifth-largest known reserves.

- **85% of government revenue and 80% of foreign exchange earnings**

- **GDP growth rate, 13,1% (2016) : -2,1 % (2017)
5,3% (2019 est.)**

- **GDP composition : Industry (51%), Services (46%), Agriculture (3%)**

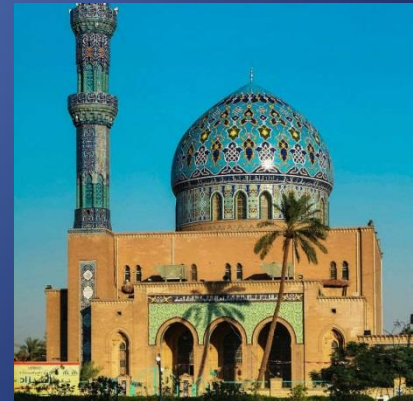
- **Large infrastructure needs after 15 years of stagnation**

Market characteristics

- Price is the dominant factor followed by quality
- Investment required in time and effort to establish oneself in the market
- Reliable local partner in problem solving
- Detailed knowledge of legislation procedures prior to any agreement
- Use of lawyer recommended



- Positive image of Greece in Iraq and particularly in the Region of Kurdistan
- Greek products, due to price, are addressed to middle class consumers
- Greek traditional products are popular
- The Greek strongholds : Construction and health sector



Selling Products and Services

- Using an Agent or Distributor
- Establishing an Office (bidding on a Government tender)
- Establishing a Representative Office (“For business development and market research only”)
- Establishing a Local Company
- New Commercial Agencies Law 79/2017

Companies Law

- 1997 Companies Law applies in Iraq and in the Region of Kurdistan
- Registration of legal presence in Iraq required

LLC	Branch
<ul style="list-style-type: none">■ Takes longer to establish■ Initial capital required (minimum USD 850)■ 4-8 weeks■ Governance simplified	<ul style="list-style-type: none">■ Easier to establish■ 4-6 weeks■ Parent company will be fully and directly liable for the branch■ Governance can be more burdensome (regular need for foreign resolutions to be notarized)

Bilateral Economic Relations between Greece and Iraq



- The volume of the bilateral trade has increased by 94% (2,4 billion € in 2016 to 5,6 billion € in 2018)
- Increase of imports from Iraq to Greece ➡ 94%
- Increase of exports from Greece to Iraq ➡ 53%

Bilateral Trade

mil euros	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>% 2018/17</i>
<i>EXPORTS</i>	27.5	60.6	42.1	-30.6%
<i>IMPORTS</i>	2,345.7	3,145.9	4,548.2	44.6%
<i>TRADE BALANCE</i>	-2,318.2	-3,085.2	-4,506.2	
<i>VOLUME</i>	2,373.3	3,206.5	4,590.3	

Main Export Commodities of Greece

2018		
Products	Value (Euros)	% in total exports
Pharmaceutical products	18.683.263	44,4%
Manufactured goods	2.223.333	5,3%
Machinery and transport equipment	2.339.174	5,6%
Beverages and tobacco	8.466.737	20,1%
Cosmetics	1.476.115	3,5%
Total Exports	42.092.559	

Main Import Commodities from Iraq

2018		
Products	Value (euros)	% in total exports
Crude Oil	4.548.230.544	99,9999%
Vegetables and fruits	12.600	0,0001%
Other	2.000	
Total Exports	4.548.244.885	

IRAQ  THE MAIN OIL SUPPLIER OF GREECE

Sectors of the Iraqi economy and prospects for Greek products and services

- Energy
- Construction: undertake projects, construction materials
- Agriculture: agricultural machinery, greenhouses, fertilizers, aquaculture
- Health (hospitals, medical equipment, drugs)
- Tourism (hotel management)
- Education and training
- Manufacturing - industrial cooperation
- Food processing

Reconstruction of Iraq

- International Conference for the reconstruction of Iraq was held in Kuwait in 2018
- More than 70 countries participated in the conference
- 30 billion USD of additional international support to the country
- The conference focused on the physical and human dimensions of reconstruction

Reconstruction and development framework

The framework includes five recovery pillars:

1. Governance
2. Reconciliation and Peace building
3. Human and Social Development
4. Infrastructure
5. Economic Development

Kurdistan Region of Iraq

هەریمی کوردستان



Photo by /Gebad Snyola



www.traveliraqikurdistan.com

Area: 40.643 sq km

Population: 5,5 mln

Largest Cities

Erbil: 1.400.000

Sulaymaniyah: 750.000

Duhok: 350.000



Economy

■ GDP 24,5 bn \$ (2013 est)

■ GDP per capita 4.500 \$ (2013 est)

■ GDP composition by sector

Public services 27,6 %, Construction 19%, Services 7,3%, Trade & transport 13%, Mining 6,2%

■ Trade partners : Turkey , Iran, China, UAE, Lebanon, Jordan, USA, EU countries

■ Labor force 1,2 mln

■ Unemployment rate 6,5% (est 2015)

Kurdistan Regional Government (KRG)

- The KRG exercises legislative, executive and judicial powers according to the Kurdistan Region's laws
- The current coalition government, consists of several political parties that reflect the diversity of the Region's population
- Iraq's Constitution recognises the KRG and the Kurdistan Parliament as the region's formal institutions

Strengths of Kurdistan Region

- a) Large oil & gas resources
- b) Fertile agricultural land
- c) Young population
- d) Relatively stable location
- e) Entrepreneurial spirit of its population
- f) Central location at crossroads of trade routes
- j) Main Gateway to Iraqi market





Oil and Gas Industry



- The energy sector is the most important of the economy
- 90% of revenues of the Region
- The KRG has signed a significant number of production sharing contracts with companies from various countries
- Major international oil companies



Board of Investment (BOI)



Investment Law No 4/2006

It covers all economic sectors except oil and gas

- Provision of land plots for subsidized lease
- Exemption from corporate taxes (10 years) and customs duties (5 years)
- Full repatriation of profits is allowed
- Possible to employ foreign labor

http://www.boi.gov.krd/investment_law.html

Customs Duties - Corporate tax rates

- Unified custom duties system in Kurdistan region and the Greater Iraq
- The custom duty rate varies from 5% to 30%
- Increased duty on cigarettes and alcoholic drinks
- Several goods are exempted from customs duties (such as basic food products, medicines and stationery)
- The corporate income tax rate for all industries is a flat rate of 15%
- Projects licensed by the Board of Investment are exempt from taxes and import tariffs

Interesting Sectors

Pharmaceuticals



Real Estate



Food products



Beverages



SECTORS

- Housing
- Tourism
- Agriculture
- Health
- Education
- Banking
- Communication & Transport
- Infrastructure (roads, irrigation, dams)
- Trade & Industry



INVESTMENT

2018 : 3,67 bln \$

2017: 712 ml \$

2006-2018 : 44, 4 bln \$

Greek Companies in Kurdistan Region

- Express Cement
- Akron- Cyclon High Technology Lubricants
- J&P - AVAX
- Greek Dreams-Constructions
- Intensive Care
- Coolshape
- KRI KRI
- DTS

Ways of transporting products to Iraq



Average transportation cost with container from Greece to Iraq

		40' container	average cost	average time
Routes	via	Greece–Erbil road transport	5.000 \$	4-6 days
		Piraeus - Mersin (Turkey) by sea	1000 \$	5 -7 days
		Mersin - Erbil by truck	2.500 \$	5-7 days
		Piraeus - Basra	2.800 \$	20 days
		Basra - Baghdad	varies	

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Dream City

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