

المحامي

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**ADVOCATE**

**(Translation)**

On behalf of the Iraqi people  
Revolution's Command Council  
Decree no. 142  
Date of decree: 19.09.2000

On the basis of the provisions of Section (1) of Article (42) of the constitution, the Revolution's Command Council decided to issue the following Law:

Law no. (51) for the year 2000  
Regulating Commercial Agency Business

**Article (1)**

This law aims at regulating business of commercial agencies, which is practiced in Iraq by an agent on behalf of a natural person or a corporate body outside Iraq. Besides regulating the transactions of the state departments, socialist, mixed and private sectors, and unions with Arab or foreign natural persons or corporate bodies in a manner that achieves the objectives of national development, prevents exploitation and insures the interest of the national economy.

**Article (2)**

The objectives of this law are achieved through the following:

1. Obtaining a license to practice commercial agency business.
2. Registering commercial agencies in a special registry according to the provisions of this act.
3. Supervising the activity of commercial agents.

**Article (3)**

For this law, the meanings of the following terms are as follows:

1. The commercial agency: every business which is practiced in Iraq by an agent on behalf of a natural person or a corporate body abroad no matter whether it is a commercial agency, a commission agency or any other commercial agency provided for by the laws of commerce, companies and transportation.
2. The commercial agent: a natural person or a corporate body who practices any commercial agency business provided for by Item (1) of this article.
3. The registrar: the companies' registrar.
4. The license: a certificate issued by the registrar for the commercial agent.

**Article (4)**

1. To grant the commercial agent a license he should be:
  - a. Of Iraqi nationality and resident in Iraq.
  - b. Legally competent and completed 25 years of age.
  - c. Unconnected of honor-violating felony.
  - d. Has a commercial office in Iraq to practice his business.
  - e. Enrolled in one of the chambers of commerce in Iraq and has a trade name.
  - f. Fully loyal to his homeland.
  - g. Not a government official or is entrusted with a public service.
2. The Minister of Trade may exclude temporarily the license applicant from provisions stipulated in clauses (d, e) of Item (1) of this article providing that these provisions should be completed within a period to be specified by the Minister.
3. Whenever the license applicant is a company it should be, in addition to the provisions mentioned in clauses (d, e) of Item (1) of this article, of Iraqi nationality with its capital fully owned by Iraqis.
4. It is not allowed to register more than 3 agencies for the natural person or the corporate body and all registered agencies, which exceed this number, shall be terminated according to the concerned commercial agent choice.

**Article (5)**

1. The license applicant may submit an application to the registrar to obtain a license to practice commercial agency business. This application must be accompanied by documents proving the fulfillment of the conditions mentioned in Article (4) of this law.
2. The registrar must make a decision concerning the application within 30 days from the date of submission. Whenever the applicant's demand is refused he can lodge a complaint with the Minister of Trade within 30 days of his notification; the decision of the minister shall be final.
3. Provided that the application is accepted the registrar shall issue the license which must contain a serial number, date of issue, name of the commercial agent, his address, and his photograph or the photograph of the managing director if it is a company.

**Article (6)**

1. The commercial agent should submit an application to renew his license every two years within 60 days from the beginning of the year whatever is the date of issuing the license or its previous renewal.
2. If the application for renewal is not submitted within the period mentioned in Item (1) of this article the registrar should levy a fine of (ID 1000) one thousand Iraqi Dinars for each day delay for a period not exceeding 60 days.
3. If the commercial agent delays the renewal of his license within the period specified in Item (2) of this article the registrar shall abolish the license and the commercial agent can lodge a complaint with the Minister of

Trade within 30 days of his notification, the decision of the minister in this matter shall be final.

4. No license shall be issued for the commercial agent until all fees and fines are duly paid.

5. When the license of the agent is cancelled and he does not obtain a new one within (180) days from the date of cancellation all his registered agencies according to the law shall be nullified without violating his obligations undertaken before abolishing his license.

**Article (7)**

1. The registrar should abolish the license of the agent in any of these two cases:

a. If any of the provisions stipulated in Article (4) of this Law is missing.

b. In case of not submitting a legalized commercial agency according to the law within 90 days from the date of obtaining his license.

2. The agent can lodge a complaint with the Minister of Trade against the registrar's decision within 30 days from the date of notifying him of the cancellation of the license. The decision of the Minister in this respect shall be final.

**Article (8)**

The registrar is authorized to consider any commercial activity practiced in Iraq by a natural person or a corporate body a commercial agency that is subject to the articles of this Law according to the legal evidence. Those who are concerned may lodge a complaint with the Minister of Trade within 30 days from the date of notification. The decision of the Minister in this respect shall be final.

**Article (9)**

The agent must submit an application to the registrar to register all his commercial agencies for the natural persons, Arab and foreign companies and bodies after legalizing these agencies according to the law.

**Article (10)**

1. The agent must keep a special ledger clear of any deletion, scratching, insertions or gaps, which are not called for in bookkeeping. This ledger should be submitted to the registrar or his representative when first opened to establish the number of pages and to stamp each page at the end of every year to authenticate the number of used pages before the end of the year and to mark its closure on its last page.
2. Any commission gained by the commercial agent must be registered in this ledger indicating the sum of commission transferred to Iraq through authorized banks and its ratio compared to the total sums, and business operations concluded on behalf of his client. He must also state the full names and addresses of those concerned.
3. The commercial agent must submit a list in two copies to the registrar within (60) sixty days from the beginning of the year. This list should cover the commercial business achieved during the previous year, providing that

it should contain in detail the total sums realized for him through practicing commercial agency business, and the amounts of money received. In addition to the sources that transferred the money, the documents and the bank certificate supporting that. The registrar may accept this list after the above mentioned period within (90) ninety days from the date of its end if the delay is justified.

4. The agent may import admissible materials using all or part of the realized commission sums and the rest of the sums should be restored to Iraq.

**Article (11)**

The agent is allowed to deal with all kinds of merchandise without defining the commercial specialization in compliance with the instructions issued in this respect.

**Article (12)**

The registrar has the authority of controlling and supervising the agent business and he may deputize a delegate to inspect his office and to check his books.

**Article (13)**

1. Any Arab and foreign company wishing to choose an agent in Iraq may submit an application to the registrar for that purpose.
2. The registrar undertake to provide the Arab and foreign companies with names of licensed commercial agents to choose a suitable one to be its representative in Iraq.

**Article (14)**

1. Government and social sector departments are forbidden to deal with commercial agents of whatsoever titles they carry, whether they are natural persons or corporate bodies. The departments must directly deal with Arab and foreign companies.
2. If government and social sector departments are not able to deal directly with the Arab and foreign companies they must submit an application to obtain an official approval of a central authority in order to deal with licensed commercial agents.

**Article (15)**

Anyone practicing a commercial agency business before obtaining license or did not register all his agencies, or who acts in violation to the provisions of Article (14) of this Law shall be penalized a temporary imprisonment. If the agent is a corporate body its authorized representative shall be penalized the same penalty taking into consideration the provisions of Article (80) of penal law no. 111 for the year 1969.

**Article (16)**

Anyone being entrusted with a public service and deliberately practices commercial agency business to sign a contract with government and social sector departments shall undergo life imprisonment.

**Article (17)**

Any official in the government and social sector departments acting in contrast with the provisions of Article (14) of this Law shall be penalized with temporary or life imprisonment.

**Article (18)**

1. Any agent shall be penalized a fine not less than (ID 10000) ten thousand Dinars and not more than (ID 100000) one hundred thousand Dinars if he:
  - a. Does not keep a ledger with the realized commissions according to Item (2) of Article (10) of this act.
  - b. Does not submit a list within the specified period mentioned in Item (3) of Article (10) of this act.
  - c. Does not submit the tables of his imports using his realized commission sums together with the list of the commissions stipulated in Item (3) of Article (10) of this act.
2. The agent shall be penalized imprisonment in case of recommitting any of the acts mentioned in Item (1) of this article.

**Article (19)**

Any licensed agent before the validity of this Law should adjust his status within one year of the date of its validity, otherwise his license shall be abolished.

**Article (20)**

The Minister of Trade may exclude any of the state and social sector departments when dealing as a commercial agent from the provisions of this Law through an announcement published in the bulletin of the Companies Registration Department.

**Article (21)**

1. The agent shall be levied the following dues:
  - a. (ID 25000) twenty-five thousand Dinars in return for issuing the license.
  - b. (ID 15000) fifteen thousand Dinars in return for the commercial agency.
  - c. (ID 10000) ten thousand Dinars in return for the license renewal.
2. The Cabinet of Ministers may amend the amount of dues and fines specified in this Law when necessary.

**Article (22)**

1. The Law of Regulating Commercial Agency business no. 26 of the year 1994 is to be nullified.
2. The scientific bureaus for pharmaceutical promotion-licensed according the Revolution's Command Council resolution no. 60 for the year 1998 shall be excluded from the provisions of this act.

**Article (23)**

The Minister of Trade may issue instructions to facilitate the execution of the provisions of this act.

**Article (24)**

This Law shall be enforced since the day of its publication in the official newspaper.

**Saddam Hussein**  
**Head of the Revolution's Command Council**

**The motivating reasons:**

This Law was legislated to regulate commercial agency business in a manner that achieves the objectives of national development and prevents exploitation and illegal mediation.

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Arabic original published in Iraqi gazette No. 3846 dated 2, October 2000