

		Questions from Japanese companies	Answer from NIC
Investment Law	1	Is the Investment Law 2006 now effectuated?	Yes, the investment law has been effectuated since January 17, 2007
	2	Are all kinds of foreign investments protected under the Investment Law 2006(except for those explicitly mentioned in the said law such as Oil and Financial areas)? Or is it only those projects applied and approved by NIC that are protected from the Investment Law 2006?	1. All investment projects, with the exception of those listed in article 29 are protected under the investment law. 2. All the projects that obtain an investment license whether issued by NIC or the provincial investment commissions are also protected.
	3	As each province now has its own investment commission, do investment policies and regulations differ among each province (except for KRG regions, as they have their own Investment Law)? If so, where can we find related information for the provinces?	The investment law and the investment regulations and any other regulations that are issued in relevance to investment applies to all the provinces and also applies to NIC. Relevant information may be obtained by reviewing the investment law and its regulations.
	4	Has NIC set implementing regulations for the Investment Law 2006 yet? If so, where can we find such regulations?	NIC currently implements the investment regulation since its publication date in the official Gazette No. 4111 issued March of 2009. We can provide you with a copy.
	5	With which countries do Iraq have bilateral investment agreements or any other similar investment/business legal frameworks?	There are no bilateral agreements with any country until now, but there are proposals for said agreements that are being discussed with Oman, Lebanon, Ukraine, France and Germany.

<b>About NIC</b>	<b>6</b>	How are the coordination between NIC, Ministry of Industry and Mineral Resources, Ministry of Oil, Ministry of Trade and other relevant ministries regarding the investment policies in Iraq? Are there a coordinating body?	NIC cooperates with all the ministries and relevant entities, because it has the duty to provide its opinion in the projects that pertain to investment and are within its jurisdiction, through the one-stop shop at NIC.
	<b>7</b>	What is NIC's strategy for attracting foreign investors to Iraq in 2009?	The strategy adopted by NIC to attract foreign investment entails the promotion of investment opportunities and utilizing the media to educate the business community about the privileges granted by the investment law, its guarantees, and exemptions.
	<b>8</b>	Are there any conferences/seminars that NIC is organizing (or sponsoring) outside Iraq this year that may be useful for Japanese companies to participate for the better understanding of the business environments in Iraq?	There is an upcoming conference in London that will take place on April 30 whereby several investors and companies will participate. NIC welcomes different opportunities to organize and participate in investment promotion conferences.
	<b>9</b>	If a Japanese company like to contact NIC directly for any inquiries regarding investing Iraq, who will be the best contact persons? (please indicate two people: one management-level and the other official-level.	You may contact Mr. Salar Ameen, Deputy Chairman of NIC or any other designated person at NIC.

Opening office in Iraq	10	<p>According to the “Registration of branches and trade representation offices by foreign companies” issued by Ministry of Trade, it is stated that “Chief management official in Iraq” must reside in Iraq.</p> <p>Does a representative of foreign company have to physically reside in Iraq?</p> <p>Are there any exceptions to this rule? At this moment, it will be difficult to have a Japanese representative staying in Iraq on a permanent basis.</p>	<p>Registering the branch or office in Iraq takes place after the foreign companies obtains the investment license. The head of the branch must reside in Iraq. The current security situation is now stable. It is also possible to rely on Iraqis to manage the branch in order to address this problem.</p>
	11	<p>What are necessary procedures to establish a representation office in Iraq?</p> <p>Where can we find such information?</p>	<p>To learn more about establishing a representation office in Iraq, please visit <a href="http://www.br-iraq.com">www.br-iraq.com</a></p>
	12	<p>Due to the UN Sanction and other political and security reasons, many Japanese companies evacuated from their offices in 1990s, and they have not come back to Iraq until today.</p> <p>If those companies decide to reopen their offices, would they be exempted from taxes or any other kinds of levies that may arise for “legally” maintaining their offices during that evacuation period? If yes, how can such exemptions be guaranteed?</p> <p>(Japanese companies are strongly concerned that if they reopen their offices, they may be charged of the tax during their evacuation period)</p>	<p>1. Concerning the income tax, a proof has to be submitted to confirm that there has been no income earned after they ended their work in Iraq, while noting that during the fiscal year 2003 and up to April 30, 2004 there has been exemption from income tax, and regardless of whether or not there was any income gained. 2. <b>Property Tax</b> details as follows: A. The period from the date they evacuated the property until the fiscal year 2002, the concerned person is responsible for property tax according to the following criteria: A-1. The period of vacancy exceeds 13 months. A-2. The person concerned can submit a request for exemption within 30 days from the vacancy date. B. The fiscal year 2002: The property is exempted from the property tax during the period it was vacant and for a period not to exceed six months and subject to increase for up to one year with approval from the Minister of Finance according to the following criteria: B-1 The vacancy period exceeds 13 months. B-2: To submit a written notification showing start date of vacating the property. 3. For the fiscal year 2003 and 2004, there is total exemption. 4. From April 1, 2004 - 2009 there has been an amendment on January 16, 2009 stipulating the calculation of exemption for vacancy effective April 1, 2004, while noting that this legal provision contradicts article 19 of the constitution which stipulates that the application of tax provisions cannot be applied retroactively.</p>