

DUNIA FRONTIER
CONSULTANTS

Iraqi Commercial Activity & Business Development Opportunities

July 2013

US CHAMBER OF COMMERCE | DUNIA

Investing in Iraq

18 Companies Sign Deals

18 companies from 11 different countries signed deals in Iraq during June, slightly below two year averages, but roughly in line with averages over the past 6 months.

Three countries had multiple companies sign deals. The USA led the way with five companies signing contracts. Turkey saw four companies sign deals, while France saw two. The Americans were strong in defense and banking/finance, while the Turks were strong in the electricity sector.

Geographically, Baghdad and Kurdistan led the way, with three deals signed in each locality. Ninewa was the only other province with more than one deal signed. From a sectoral standpoint, banking/finance, electricity, oil and gas, defense, industry and construction all had multiple deals signed.

Perhaps most encouraging in June were the multiple deals involving banks or financial institutions, with Citigroup opening an office in Baghdad, and NASDAQ upgrading the ISX's trading platform. Also, in early July, JP Morgan is rumored to have decided to follow Citigroup in Baghdad, suggesting that there may soon be a steady march of international banks and financial institutions to Iraq's capital.

Meanwhile, on the electricity front, June's deals were largely about Turkish companies signing deals to transmit electricity into northern Iraq, rather than new infrastructure projects. The exception was a deal by ABB to upgrade the data sharing capabilities of Iraq's transmission network.

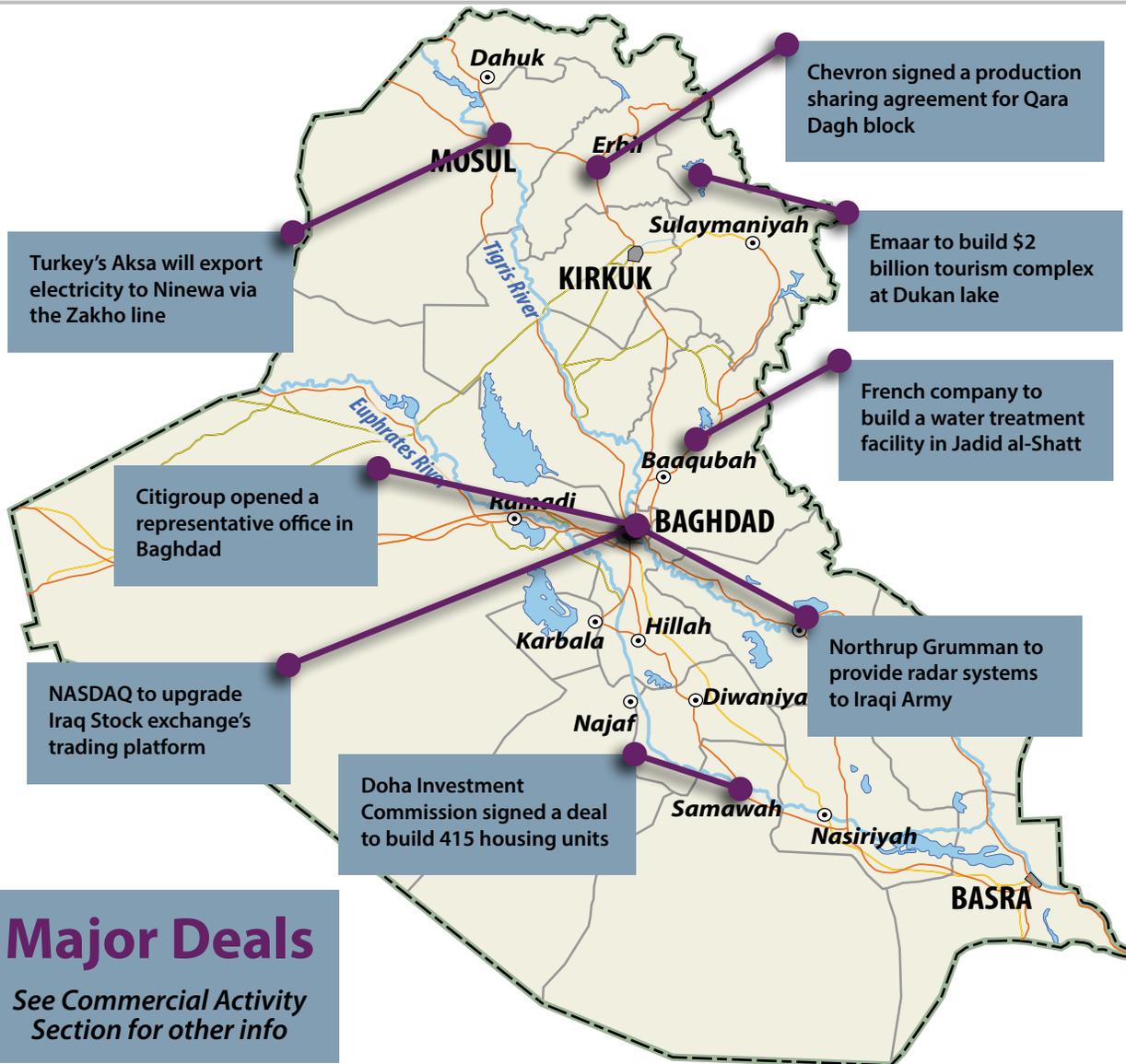
The two largest deals were in tourism and oil and gas. Emaar and Faruk Group finalized a deal to build a \$2 billion tourist resort in the Kurdish province of Sulaymaniyah. Meanwhile, China Petroleum Pipeline Engineering Company signed a \$317 million deal to build a pipeline connecting Maysan's oil fields to export infrastructure in Basra.

June also saw two defense deals, one for airplane maintenance, and the other for the provision of radar systems — underscoring the reality that Iraq is going to be a major weapons purchaser.

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Iraq at a Glance



Major Deals

See Commercial Activity Section for other info

Iraq Critical Data

Land Mass:	441,839 sq km
Population [2013 est.]:	33.9 mil
Nominal GDP [2012]:	US\$ 129.9 bil
GDP Growth [2012 est.]:	12.6%
GDP per capita:	US\$ 3,831
Inflation [2012 est.]:	5.9%
Oil Production [2013 avg.]:	2.9 mil bpd
Labor Force [2013 est.]:	10.12 mil
Unemployment [2012 est.]:	16%
Imports/GDP [2012]:	43.5%
Exports/GDP [2012]:	67.6%
External Debt:	US\$ 50.3 bil
Debt/GDP:	38.4%
Govt. Budget [2013]:	US\$118.5 bil
Fiscal Deficit [2012 est.]:	-5.5%
Currency:	New Iraqi Dinar

Key Investment Thesis

Iraq's economic infrastructure has been destroyed by more than 25 years of war and sanctions that began with the Iraq-Iran War in 1980. Some 95% of the Iraqi federal budget is currently derived from crude oil sales, the vast majority of which is dedicating to supporting state owned enterprises, social welfare programs and various subsidies. Iraq needs hundreds of billions of dollars in foreign capital in order to rebuild infrastructure and kick-start private sector growth. With its rapidly growing, predominantly young population and vast hydrocarbon resources, Iraq could experience near double-digit economic growth for decades to come.

IRAQ COMMERCIAL ACTIVITY & BUSINESS DEVELOPMENT OPPORTUNITIES

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Current Political State of Play

KEY POINTS

- UN sanctions alleviated
- Maliki on the ropes
- Anbar security worrisome

Lifting of Political Sanctions

Last month, the UN Security Council decided to ease its sanctions on Iraq. The sanctions were imposed after the country's 1990 invasion of Kuwait. The 15-member council, with the support of the Kuwaiti government, unanimously agreed that the Iraqi government's obligation to search for Kuwaiti nationals, archives, and property missing since the 1990 invasion should be overseen by Chapter 6 of the UN Charter instead of Chapter 7. Chapter 6 urges countries to peacefully resolve any conflicts, in contrast to Chapter 7, which allows the Security Council to authorize military intervention. But Iraq is still not fully out of Chapter 7. The UN still has an arms embargo against Iraq and restricts certain financial transactions under Chapter 7. In addition, Iraq will continue to pay 5% of its oil revenues each year in compensation to Kuwait; Iraq's foreign minister, Hoshiyar Zebari, says the payments should be completed in 2015.

The reaction has been mixed. Zebari hailed the decision as a "historic landmark" in relations between his country and Kuwait and said that it could serve as "a new beginning for relations between our two brotherly countries", according to Reuters. An opinion writer in the Kurdish newspaper Rudaw, was not so sanguine and believes that Iraq's current leaders have the "same tendencies and ways that led to Chapter 7" and that the aspects that led Iraq into Chapter 7 — "divisions, violence, and authoritarianism" — are still present. For foreign investors, the new UN resolution will probably have little direct impact. But as a signal of Iraq's foreign policy, the support among Iraq's political class represents a serious acknowledgement of the error of Saddam's aggressive policies and a strong desire to ensure that their country is not seen as a pariah state.

Iraqi Politics

Despite Prime Minister Nouri al-Maliki's State of Law Coalition (SLC) emerging as the biggest winner in the 2013 municipal elections, it has failed to piece together governing coalitions in the seven governorates in which it won. Originally, the SLC sought to form majority governments with the Islamic Supreme Council in Iraq (ISCI), but the two could not come to an agreement, and the ISCI allied itself with the Sadrists and formed majority coalitions in some of the provinces where al-Maliki's list won a plurality. The SLC's most stunning defeat came in Baghdad, where it was entirely left out of the provincial councils' governing coalition. Sadrist MP Ali Tamimi was elected governor, while a Sunni from the anti-al-Maliki *Muttahidun* list was selected to head the provincial council — the negotiating that led to this Sadrist-*Muttahidun* alliance may be a precursor to the type of negotiation likely to take place following the 2014 parliamentary elections. In addition, the SLC lost control of the governor's office in Basra to the ISCI, but former SLC governor Khalaf Abd al-Samad did secure the chairmanship of the provincial council in a power-sharing deal.

In sum, the outcome is mixed for al-Maliki. Al-Maliki retains control of Najaf and Karbala and consolidates his position in mid-Euphrates governorates where ISCI was formerly strong. But the SLC lost Baghdad and Basra, and it was outmaneuvered in post-election negotiations. In the short-term, this shake-up may actually strengthen the autonomy of local governments vis-à-vis al-Maliki, who must now take his political allies' feelings into consideration and not just browbeat governors into acquiescence, according to Iraq commentator Joel Wing. There are also

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Current Political State of Play Cont.

implications for 2014 parliamentary elections and for al-Maliki's chances to win the prime minister's position for a third term: the ISCI and the Sadrists showed their willingness and ability to challenge SLC's dominance of the Shia political landscape. The question is can the Sadrists and the ISCI repeat this performance?

Al-Maliki in the KRG

Last month, al-Maliki visited the Kurdish territories in his first trip to the KRG-controlled areas since 2010. The Prime Minister met with KRG President Massaoud Barzani — the two reportedly embraced at Erbil's airport — in a meeting that came just days after Baghdad's Interior Ministry called for Kurdish forces to withdraw from disputed territory, threatening a fragile peace between the two sides' militaries, according to the Turkish Hurriyet Daily News. While there was no public agreement, the meeting demonstrates both sides' commitment to reducing public tensions. Interestingly, al-Maliki's spokesman, Ali Mussawi, told AFP that the Erbil meeting will be followed (on an unspecified date) by a cabinet session in al-Anbar, the center of anti-government protests. Notably, al-Maliki's visit happened in the context of a realignment of Kurdish politics; this past month, the Kurdish parliament postponed presidential elections, leading to fist fights in the Kurdish parliament between the Kurdish opposition and Barzani supporters, and gave Barzani two more years in office. The current Kurdish constitution only allows two, four-year terms, but Barzani reportedly does not want to cede power.

Security Situation

Iraq's security situation remains unstable: car bombs continue to kill dozens and the situation in Anbar has deteriorated so much that local officials have lost control of the border area with Syria, with fighters traveling freely between the two countries. This security deterioration has led to the possibility that Syria's civil war and Iraq's ongoing Sunni insurgency may merge into a single, region-wide, sectarian conflict.

However, some al-Qaeda leaders want to maintain separation between the Syrian and Iraqi fronts of their global Islamic revivalist struggle. Ayman al-Zawahiri, the long-time deputy of Osama Bin Laden and current leader of al-Qaeda, recently issued orders canceling a reported early April merger between the Islamic State of Iraq, al-Qaeda's Iraq branch, and the Syria-based Nusra Front. The merger was reportedly unpopular with Syrian fighters, who resented Iraqi interference. But reports suggest that al-Qaeda in Iraq's leaders might disobey al-Zawahiri's orders, and may try to continue their domination of the Syrian al-Qaeda factions, and try to link their own fight with the rebel effort to topple the Syrian government.

In response to the violence, Iraqi security forces continue to conduct raids, primarily in the desert of western Anbar. Even Anbari politicians, traditionally suspicious of Baghdad, seem supportive of the security measures, fearing a return of al-Qaeda militants who terrorized the province in 2006 and 2007. But Iraqi security forces have abandoned counterinsurgency operations, which stress cooperation with the locals, and instead carry out mass arrests — a punitive policy.

In other steps, Iraqi military engineers completed the construction of a berm, designed to impede the cross-border flow of fighters and weapons, along the country's 620-kilometer border with Syria. Syrian militants from the al-Nusra Front have allegedly killed a number of Iraqi soldiers by sniping over the berm, and smuggling efforts continue, but the berm is an indication of Iraq's determination to insulate itself from ongoing violence in Syria. Iraq also seems to be courting American military aid. A spokesman for al-Maliki said that Iraq is "open to greater American military cooperation" and would "welcome increased arms sales and US training teams", according to USA Today. Of course, increased militarization will probably not reduce Sunni-Shia tensions, which are a significant catalyst for Iraq's high levels of violence.

Iraqi Government Tenders

The following pages contain a presentation of highlighted tenders issued in the previous month by six major ministries of the Iraqi government. The following tenders are intended to provide an illustration of the kinds of equipment, materials and services that are currently in demand — and especially those that would be of interest to foreign firms and investors.

Dunia Frontier Consultants maintains a full database of all tenders released by the ministries, as well as copies of the underlying bidding requirements and instructions. Any interested parties should contact Dunia for further details and assistance in pursuing these opportunities.

Bidding Process Overview

Each ministry or state-owned enterprise that releases a tender offer provides its own set of instructions and priorities; in general, however, all bids for Iraqi government tenders require at a minimum the following steps or submissions:

- 1. Submission of a bid bond:** equal to 1 percent of the total tender value, in the form of a bank guarantee, certified check, or debenture bond issued by an Iraqi bank recognized by the Iraq Central Bank or Trade Bank of Iraq.
- 2. Proof of company registration:** foreign companies must present their articles of incorporation as certified by their own government, as well as the Iraqi embassy in their home country; locally-based firms must provide their proof of registration with the Iraqi Ministry of Trade, as well as addresses and contact information within Iraq.
- 3. Qualified use of proxies/agents:** any company wishing to use submit a bid through an agent must also provide authorization documents as well as proof of affiliation (i.e. an agent must show certification with live the stamp of the manufacturer or bidding companies, as well as registration with the Iraqi embassy in the country of agency).
- 4. Proof of purchase:** the original receipt of the purchasing tender should be attached to the bid.
- 5. Proof of financial status:** companies may need to submit their records of profits or revenues as certified by an accountant; a certificate of registration from the General Commission for Taxes that authorizes participation in any bid; as well as proof of the non-existence of any outstanding financial or legal disputes.
- 6. Samples:** in the case of certain equipment (e.g. electrical transformers), some ministries require that product samples be included along with the bid.
- 7. Price vs. technical bid:** some ministries require that the technical proposal be submitted separately from the cost proposals.

Finally, nearly all ministries and state-owned enterprises offer information sessions during which potential bidders can seek clarifications and additional information regarding the general conditions of the tenders.



Ministry of Oil Tenders

www.oil.gov.iq
Oil Complex Building
Port Saeed Street
Baghdad – Iraq

Tel: 00964 – 1 – 7270710
oilministry@oil.gov.iq

Minister:
Abdul Kareem Luaibi

2011 Budget:
US\$3.3 billion

No. of Employees:
≈ 66,5000

Inside Scoop:

Dunia has learned of the following activity from the Ministry of Oil in June.

Through comments by Prime Minister Maliki made at a forum in Russia, in conjunction with a loan announcement by the Japanese government, it appears the Ministry will be focusing on developing the natural gas sector, particularly its underlying infrastructure, in the coming months. Interested companies should prepare for potential pre-qualification announcements for the construction of support infrastructure for Iraq's gas sector.

Additionally, the Ministry's State Company for Oil Projects announced a large pipeline project from Maysan to export terminals in Basra to be implemented in conjunction with a Chinese company. This project should provide a number of opportunities for subcontracts in engineering and construction, as well as potentially provision of materials.

Tenders at a Glance

Total this month: 84
Largest issuer: South Oil Company

Company	Requisition	Closing Date	Ref. No.	Contact
South Oil Company	Safety inspection long term contract	July 15, 2013	PRJ-13-4467	info@soc-basrah.com
Midland Oil Company	Acid transportation trailer and truck	July 30, 2013	82-12-9011-01	mdoc.dg@mdoc.oil.gov.iq
South Oil Company	Reverse osmosis unit	July 15, 2013	54-13-4464	info@soc-basrah.com
Oil Product Distribution Company	300 electrical centrifugal pumps, 150 diesel centrifugal pumps	July 24 2013	BD/F/8/2013	fax_opdc@opdc.oil.gov.iq



Ministry of Industry Tenders

www.industry.gov.iq
admin@industry.gov.iq
invest@industry.gov.iq

Minister:
Ahmad al-Karbouli

67 SOEs with more than
250 factories are located
throughout Iraq.

Inside Scoop:

Dunia has learned of the following activities from the Ministry of Industry in June.

A statement by the Ministry claimed it has issued some 120 licenses for industrial projects through May 2013. While a significant number of these licensed projects are likely to remain unrealized, the number does demonstrate a continued interest by investors in realizing industrial projects in Iraq.

Encouragingly, the Ministry restarted a cotton gin in Baghdad that had been inactive since 2003. Many of the Ministry's factories remain somewhat intact, but stand dormant. However, through a combination of production sharing contracts with Iraqi and foreign private sector companies, and infusions of money through the Ministry, several of these factories have come back online in recent years.

Tenders at a Glance

Total this month: 63
Largest issuer: State Sugar Company

Company	Requisition	Closing Date	Ref. No.	Contact
State Company for Sugar Industries	Supply of 5 MW steam turbine generator	July 24, 2013	15/t/sug-/2013	invest@industry.gov.iq
State Company for Medical Appliances	Supply of 5 million aluminum tubes	July 14, 2013	207/t/sdi/2013	DG@SDISAMARRA.COM
State Company for Construction Industries	Supply and installation of a power plant per 2013 strategic plan	July 14, 2013	4/2013/s_sh_c_m/2	sccicom2012@yahoo.com
State Company for Mining	Salt washing, 200 ton/hour capacity	July 29, 2013	8/t/mwi/2013	mshrakebrt@yahoo.com

Other Tenders

Inside Scoop: Basra Government Tenders

Dunia has learned of investment opportunities with the following provincial investment commissions, as well as select opportunities with various other national ministries. For further information or for the relevant point of contact, e-mail contact@uniafrontier.com.

Maysan Provincial Government

The provincial government announced the following investment opportunities and tenders:

- Creation of an industrial park in al-Tayeb, east of the capital of Amara. The park is to be built on a dedicated plot of land measuring 4000 square dunams.
- Construction of a residential complex in al-Kamit on 63 square dunams
- Construction of a recreation park in Ali Sharqi on 43 square dunams
- Construction of a hotel on land owned by the Shi'a Waqf in Ali Sharqi
- Building of a docking are for river boat tours in Ali Sharqi
- Construction of a multi story car park in Ali Sharqi
- Rehabilitation of a brick factory in Ali Sharqi
- Construction of a recycling plant in Ali Sharqi
- Construction of a 100 bed hospital in an undisclosed location
- Construction of a children's hospital in an undisclosed location

Interested parties can contact the provincial investment commission at maysan_inv2010@yahoo.com

Ministry of Electricity

The ministry announced the following investment opportunities and tenders:

- Construction of a concrete road for the Mid Euphrates Electricity Production Directorate
- Spare parts for a gas separator
- Gas oil purification system
- Supply of industrial computer systems

Interested parties can contact the directorate at: gdepeuftrat@yahoo.com, 34_gdepeuftrat@yahoo.com and 37_Commercial.Dept.M@moelc.gov.iq

- Acquisition, testing and implementation of cabling at the Jawahari sub station to the al-Nedaa sub station for the Mid Euphrates Electricity Distribution Directorate
- Acquisition, testing and implementation of cabling linking the al-Jawahari sub station to the al-Askeri substation for the Mid Euphrates Electricity Distribution Directorate
- Supply of KWH metering systems

Interested parties can contact the directorate at: 33_it.dept.mgr@moelc.gov.iq

Other Tenders

Ministry of Water Resources

The ministry announced the following investment opportunities and tenders:

- Design, planning and study of implementation of small dams project per the 2013 strategic plan for the ministry
- Supply and implementation of electric motor water pumps
- Consulting services for the Wadi Khamash dam project in Salahaddin province
- Acquisition, implementation and operation of a 15-ton crane as part of a bridge construction project

Interested parties can contact the ministry at: igcirp@yahoo.com

State Company for Railroads

The ministry announced the following investment opportunities and tenders:

- Provision of machine for checking structural integrity of train tracks
- Provision of 100 trucks for processing and carrying rocks
- Provision of 150 ton crane

Interested parties can contact the State Company for Railways at: tender@scr.gov.iq

State Ports Company

- Provision of single story busses for use inside urban areas
- Provision of motors for six boats with spare parts
- Provision of one 500 kva electrical generator

Interested parties can contact the State Ports Company at: ports_contracts@yahoo.com

Iraqi Airways

- Expansion of air freight area and creation of an "air freight village"
- Establishment of a training and development center

Interested parties can contact the Iraqi Airways at: contracts@iraqiairways46.com

Commercial Activity: Deals in Detail

The following is a deep-dive presentation of facts, contact information, and potential business development opportunities for some of the most important, recently announced, deals and projects:

NASDAQ OMX to Upgrade Iraq Stock Exchange

NASDAQ OMX reportedly reached an agreement with the Iraq Stock Exchange in June to upgrade the ISX's trading platform using NASDAQ's "X-stream" system. The ISX currently uses NASDAQ's Horizon system. According to a statement released by NASDAQ, the technological upgrade will rank the ISX among the regional leaders in trading platform technology. "The upgrade to X-stream will provide ISX with a widely deployed high-end, multi-asset trading platform that complies with international standards. The migration to X-stream is a step in ISX's ambition to become a Middle Eastern hub, able to host and facilitate other regional markets."

NASDAQ senior vice president Lars Ottersgard highlighted in a prepared statement that the upgrade will allow for a higher degree of investor interaction with the ISX, which currently sees relatively sparse trading volume by international standards. "The upgrade to X-stream technology will equip ISX with a sophisticated and robust trading platform that increases investor involvement both in the Middle East and internationally."

Business Development Opportunities

The ISX's continued efforts to upgrade its technological capabilities are a positive sign in the development of Iraq's equities market. "We are committed to becoming one of the most innovative and groundbreaking exchanges, in the Middle East and across the world," said ISX chairman Taha Abdul Salam in a statement released by NASDAQ. Indeed, many of Iraq's ministries and financial institutions have displayed a resistance to upgrading their technological capabilities and IT systems. However, if the recently announced upgrade of its trading platform is any indication, the ISX is staking out a position of trying to preemptively develop its internal capabilities, rather than waiting for external pressures to force change and development. This apparent commitment to development should be seen as a positive sign that other Iraqi financial institutions may soon follow suit, suggesting that there will be future opportunities in the sector in IT and transactional technologies for global tech companies.

Interested parties should contact:

NASDAQ OMX Dubai office at +971 4331 2245

The ISX at +964 7174484

Citigroup Opens Baghdad Office

Citigroup, the United State's largest financial services company, opened a representative office in Baghdad in June. Initial commentary by Citigroup executives suggest that the move may largely be aimed at serving Citigroup's existing global clients with their Iraq operations. "Iraq is an important market, with an economy that has substantial potential over time. Having a presence in Iraq will position us to better attune our services to the banking needs of our clients as they grow and develop their businesses in the country," said Citigroup CEO for MENA and Europe James Cowles in a statement released by the US Embassy.

Commercial Activity: Deals in Detail

Business Development Opportunities

The opening of a branch office by a large MNC is often the initial step in a larger operation to deploy significant resources to Iraq. It is likely that Citigroup's opening of a representative office is the precursor to a significantly larger presence in the 1-5 year time frame. If Citigroup follows the model adopted by some of the other international banks that have seriously looked at, or entered, the Iraq market, they will likely begin their operations in Baghdad, before opening additional on the ground presences in Basra and Erbil. As Citigroup begins its endeavor in Iraq, and inevitably looks at the feasibility of expanding, they will likely require support in real estate, IT, security, legal services among other fields.

Interested parties should contact:

Citigroup Dubai Corporate Communications Officer Chaden Boustan at chaden.boustany@citi.com

Baghdad Opens Largest Commercial Space

The Baghdad Investment Commission celebrated the opening of the Mall of Mansour in June. The large commercial development sits on a built up area of 32,000 square meters according to a statement by the Baghdad Investment Commission. The space boasts a ground level parking area, two floors with space for twenty commercial storefronts and a top floor with space for a cinema and other entertainment amenities. The head of the Baghdad Investment Commission, Hakim al-Zumaylia, noted, "this is among the most important investment projects that the commission has licensed. It was implemented by a private sector entity with the utmost technical skill."

Business Development Opportunities

The opening of the Mall of Mansour may well pave the way for a number of international retail and fast food brands to make their way to Baghdad. Several international brands, including Swiss watch maker Tag Heuer and the UK's Mothercare have either expressed interest in entering the Iraq market, or already done so. However, to date, international brands have entered Iraq in a trickle, rather than a flood, with those that have set up in Iraq often choosing to do so in the relative safety of Kurdistan. However, the creation of a modern commercial space in Baghdad's affluent Mansour district may well facilitate future entry.

Interested parties should contact:

The Mansour Mall at +964 7710563597

Sector Profile: Oil & Gas

KEY POINTS

- Exports drop for 2nd straight month
- Violence targets oil sector

Oil Exports Down

Iraq's oil exports in June dropped to the lowest level since March 2012. Total exports for June averaged 2.33 million barrels per day in June, down from 2.48 million barrels per day in May. June marked the third straight month of decreasing exports, with figures decreasing both in Basra, where crude is shipped via offshore export terminals, and Kirkuk, where crude is piped to the Turkish port of Mersin.

Oil Export Figures in 2013

Month	Basra (million bpd)	Kirkuk (million bpd)	Total (million bpd)
June	2.16	.17	2.33
May	2.2	.28	2.48
April	2.32	.31	2.62
March	2.1	.32	2.42
February	2.19	.34	2.54
January	2.09	.26	2.36

Boxes in green demonstrate a month on month increase in exports, boxes in red demonstrate a month on month decrease

As demonstrated in the above table, Iraq has struggled to make forward progress with its export levels in 2013. There are three primary reasons for this. The first, Basra's decreased exports, can largely be attributed to poor weather hampering the ability of crude freighters to load at offshore terminals. The second, a continued lack of exports from the Kurdistan Regional Government, may well continue indefinitely as Kurdistan continues to move towards exports independent of Baghdad via a pipeline with Turkey. The third, ongoing sabotage attacks on the Kirkuk-Ceyhan pipeline, is arguably the most disturbing for the long term prospects of Iraq moving towards steady incremental progress in its oil export numbers. Iraq's security forces continue to be unable to halt attacks on the vital pipeline. Until this situation is rectified, export numbers through the Kirkuk-Ceyhan pipeline will continue to lag.

Attacks Continue on Oil Infrastructure

Iraqi security forces thwarted a bomb attack aimed at the Bai Hassan oil field in Kirkuk province. The field is operated by Iraq's state owned North Oil Company, and pumps approximately 150,000 barrels per day. "Guards at Bai Hassan oilfield noticed a strange device with electrical wires near one oil well. Police explosives experts were called and discovered that two more bombs were placed beside another well," an Oil Police official told Reuters. Later in June, gunmen killed six members of the Oil Police who were guarding the Kirkuk-Ceyhan pipeline. To date, recent acts of sabotage on oil fields have been limited to fields in Kirkuk operated by the North Oil Company, and the Qayara field in Ninewa, nominally being developed by the Angolan company Sonangol. However, the trend of targeting oil infrastructure, to

Sector Profile: Oil & Gas Cont.

include wells themselves rather than just pipelines, appears to be growing. To date, similar attempts at sabotage have not been reported in southern Iraq's fields, and it is worth noting that Kirkuk and Ninewa provinces are significantly more volatile than the southern oil provinces of Basra, Maysan, Dhi Qar and Wassit. Nonetheless, the trend is worrisome.

Pumping efforts were halted at the Kirkuk-Ceyhan pipeline for several days in June. The pipeline came back online on July 2 following repairs according to the Iraqi news site al-Mada Press. The North Oil Company said the pipeline had experienced a "technical failure" near Ain Jahesh in western Ninewa, which put it offline. However, the area has seen several clashes between militants and the Oil Police, suggesting that the "technical failure" was likely the result of an act of sabotage.

The repeated attacks on, and subsequent closure of, the Kirkuk-Ceyhan pipeline provide further incentive for the Kurdistan Regional Government to seek to build its own export pipeline infrastructure. Currently the Kirkuk-Ceyhan pipeline is the only export pipeline option for Kurdish crude. The vast majority of the stretch of pipeline in Iraq's territory runs through area controlled by the central government rather than the KRG. With Iraqi security forces unable to protect the pipeline, it seems unlikely that the KRG will want to rely on it as their sole source of bringing their oil to market, even in the event of an agreement on exports with Baghdad.

Hotel Frequented by Oil and Gas Expats Car Bombed in Basra

The Mnawi Basha Hotel, one of two hotels frequented by expatriates in Basra, was hit by a double car bomb attack on July 2nd. While there were not fatalities, 14 people were injured, and the building suffered structural damage.



A view from the Basra International Hotel. Concrete "T Walls" at the bottom of this image stand between guests and potential car bomb attacks.

A source present at the hotel during the attack told Dunia that, "there was an initial blast, and then shortly thereafter a second blast. The second one had some serious bite to it. There was visible damage from the lobby after the two attacks."

Sector Profile: Oil & Gas Cont.

While there has been no claim of responsibility for the attack, it does appear that the Mnawi Basha was the intended target. The hotel is frequented by foreigners, including oil companies. While it is impossible to surmise intent in the absence of a claim of responsibility, the attack appears to demonstrate two things. First, the perpetrators targeted one of the few facilities in Basra City utilized by foreign visitors. Second, security measures provided by governmental security forces and the hotel's internal security were insufficient in preventing the blasts from damaging the building. That there were no fatalities appears to have more to do with the relatively small size of the car bombs than the success of security measures.



A "5-star" trailer at an oil and gas logistics camp in Basra province. Secured logistics camps, guarded by private security companies and set outside of urban areas, provide an alternative to Basra City's hotels.

Additional Rigs to Halfaya

Two new rigs arrived at Maysan's Halfaya oil field in June. Two additional rigs are reportedly on their way to the field, according to a statement released by the Maysan Oil Company. The Halfaya field is being operated by the state owned PetroChina. With the arrival of the two new rigs, there are now believed to be eight operational rigs at the field. That total could reach 14 when the additional two rigs arrive, and two other rigs which are currently undergoing repairs come back online.

The Halfaya field has consistently reached benchmarks ahead of schedule, and is currently producing approximately 100,000 barrels per day according to the Maysan Oil Company.

PetroChina and the Maysan Oil Company have also made headway in building support infrastructure for field development. Recently, Prime Minister Maliki attended the inauguration of a runway located at the field site that is now operational, facilitating the movement of personnel and equipment. Meanwhile, this month it was announced that the Maysan Oil Company, in conjunction with a Chinese oil construction and engineering company, are building a pipeline from the field to export terminals at Basra.

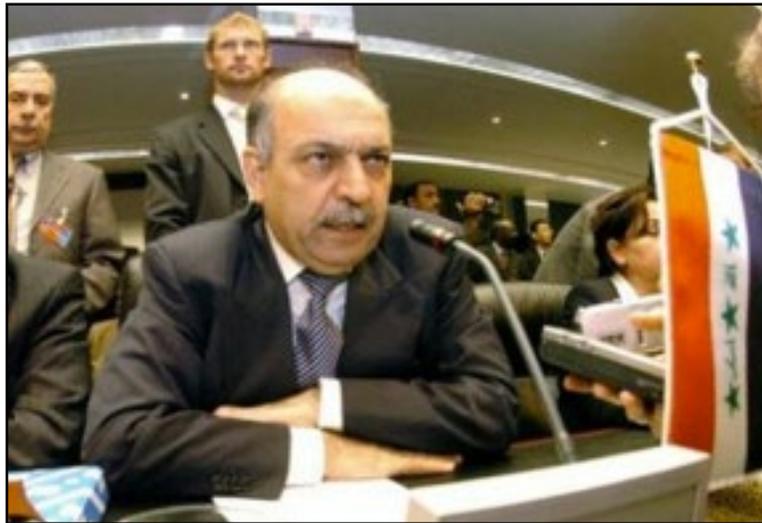
Sector Profile: Oil & Gas Cont.

Ghadban Releases New Near Term Production Plan, Discusses Long Term

At June's CWC Energy Conference in London, former Iraqi Oil Minister and current advisor to Iraq's government on oil and gas Thamir Ghadban shed light on the Iraqi government's thinking regarding oil outputs in the near term, as well as its longer term planning.

Regarding the near term, Ghadban was reportedly adamant that production will reach 4.5 million barrels per day by the end of 2014. The figure does not include production in Iraqi Kurdistan.

More uncertain is Iraq's thinking on long term production targets. The plan revealed by Ghadban included a range of possibilities. The most ambitious is a plan for Iraq's production to hit 13 billion barrels per day by 2017, where it would plateau for between 6-13 years, according to varying estimates, before beginning to decline. A low end estimate has production hitting 6 million barrels per day in 2025, a level that would likely be sustainable for at least two decades.



Former oil minister Thamir Ghadban answers questions (image: IraqEnergy)

A mid range scenario would have production plateau at 9 million barrels per day in 2020. Judging by the renegotiation of production timelines and plateau levels with a number of IOCs operating production blocks in southern Iraq, it would appear that something slightly under the mid term scenario is the most likely outcome. This scenario will still likely make Iraq a top-5 oil producer.

Sector Profile: Kurdish Energy

KEY POINTS

- Chevron doubles down
- Turkey pipeline charges ahead

Chevron Signs Third PSA

Chevron, the second largest US oil company after Exxon Mobil, signed its third production sharing agreement with the KRG. The latest contract is for the Qara Dagh block southeast of the Kurdish capital of Erbil. Almost exactly a year ago, Chevron entered Kurdistan by taking stakes in the Rovi and Sarti blocks, located north of Erbil. Unlike the other major IOCs operating in Kurdistan- namely Exxon Mobil, Total and Gazprom- Chevron has studiously avoided operating in southern Iraq. As such, it has faced far less pressure and vitriol than the aforementioned companies, all of whom have had their southern Iraq interests threatened by Baghdad after the companies' signed their respective deals with the KRG.

Meanwhile, Russian supermajor Gazprom reportedly suggested in June to Kurdish officials that it too hopes to increase its Kurdistan operations in the coming months. This despite ongoing pressure from the central government to freeze its operations in Northern Iraq. The continued appetite for Kurdish exploration blocks by some of the largest oil companies in the world bodes well for the KRG, and its ongoing efforts to maintain control of the semi-autonomous region's energy resources.



Smoke rises from a test well at the Ain Sifni oil block

KRG Confirms Role of New Turkish Firm

The KRG's Ministry of Natural Resources confirmed, via its approval of a quarterly map of oil and gas development in the Kurdish region put out by Western Zagros Ltd, that a Turkish oil company is indeed going to operate six as-of-yet unsigned exploration blocks. Two of the blocks are in disputed territory.

The map provides some official, if only tacit, confirmation of what has been widely reported for months. Namely, that Turkish state owned oil companies are soon to become significantly involved in oil and gas exploration, and subsequently production, in Kurdistan.

Sector Profile: Kurdish Energy Cont.

Pipeline to Turkey Reportedly in Final Stages

A crude oil pipeline designed to carry Kurdish crude to Turkey is nearly complete, according to a report by Reuters. The pipeline is only 10 kilometers from the area of Fishkhabour, near both the Syrian and Turkish borders in the area between Duhok and Ninewa provinces.

However, the pipeline's ultimate destination, and even whether it will join with the existing Kirkuk-Ceyhan pipeline prior to reaching the border is still undecided. This uncertainty lends itself to the analysis that the construction of the pipeline is just as much about exerting leverage on Baghdad in ongoing negotiations over oil and gas revenues and IOC remuneration as it is about exporting oil.

Ostensibly, the pipeline will give Kurdistan the ability to export its crude without the Baghdad controlled Kirkuk-Ceyhan pipeline. Questions remain about to what degree Turkey is willing to risk Baghdad's ire by building similar infrastructure on its side of the border. However, the construction of the pipeline, coupled with the Turkish company signing 6 exploration contracts certainly give the impression that Erbil and Ankara are sticking with the long-held KRG strategy of creating facts on the ground, and then using those facts as a baseline for negotiations with Baghdad.

What is clear is that with the ultimate route of the pipeline yet undecided, and with the possibility remaining that the pipeline will link up with a Baghdad controlled metering station, also located at Fishkhabour, the pipeline may yet be part of broader tripartite negotiations between Baghdad, Erbil and Ankara, rather than purely a Kurdish-Turkish deal excluding input from Baghdad.

Shahristani Says "No Deal" on Payments to IOCs in Kurdistan

Iraq's Deputy Prime Minister for Energy Hussein al-Shahristani announced in June that there is still no agreement in place for the full remuneration of IOCs that entered into production sharing agreements with the KRG without Baghdad's approval.

Shahristani's comments came after a delegation led by Prime Minister Maliki visited the Kurdish president Masoud Barzani in Erbil. "No deal has been reached. We have not discussed this issue during our visit to the region," said Shahristani to Reuters.

Shaikhan Production Plan Approved, DNO Finds Oil

Gulf Keystone, the operator of the Shaikhan block, had its production plan approved by the Ministry of Natural Resources in June. Production of 40,000 barrels of oil per day will reportedly begin in a matter of weeks. Shaikhan is expected to be able to produce 150,000 barrels per day by 2016 and 250,000 by 2018.

Norway's DNO International made a positive discovery at its Tawke block, which it shares with Genel Energy. "We are very pleased that initial Tawke-17 results are in line with the Company's pre-drill estimates. This discovery in the Sargelu formation, over 200 meters below the main field Cretaceous reservoir, likely bumps recoverable reserves on the Tawke license to the one billion barrel mark," said the company in a press release. "If this second well, Tawke-23, demonstrates the significant deliverability uptick we are now seeing in Tawke-20, we will go back to the drawing board and consider further enhancements to our current target of 200,000 barrels a day of production capacity by 2015."

Special Report: Cement

KEY POINTS

- Cement import ban weighed
- Iranian and Turkish imports vital
- Prices may rise steeply

Government Considers Cement Import Ban

Iraq's cabinet introduced a ban on cement imports that was meant to take effect July 1st, 2013. The move was meant to protect Iraq's domestic cement industry. However, due to uproar from construction contractors over skyrocketing prices, the ban was reversed indefinitely. Currently, ordinary portland cement sells for approximately \$100/ton, with prices varying geographically due to transportation costs. Were the ban to have taken effect, the price of cement could have potentially reached \$180/ton according to cement wholesalers contacted by Dunia.

Domestic Production Still Insufficient

Cement is currently produced at two privately owned cement plants in Kurdistan, as well approximately 10 state owned cement plants in Ninewa, Karbala, Anbar, Najaf, Muthanna and Basra. However, according to industry insiders, domestic production is still far short of meeting demand. To make up for domestic shortages, cement is imported from Iran and Turkey.



Turkish cement sits at a wholesalers depot in Duhok, 40km from the Turkish border.

According to industry sources in Kurdistan, over 80% of cement used in Duhok is imported from Turkey, while in Sulaymaniyah, the vast majority of cement comes from Iran. One source in Sulaymaniyah noted that he believes eventually the cement ban will take place, although it will be impossible to enforce in Kurdistan. Regardless, the price of cement will skyrocket country wide as a black market develops for Iranian and Turkish cement in the rest of Iraq where the import ban will be more rigorously enforced. If the ban does indeed get implemented, any company using large quantities of cement will need to reassess their anticipated building costs.

Special Report: Provinces Law

KEY POINTS

- Provinces given more powers
- Provincial tax a possibility
- Budgets will increase

Revision of Iraq's Provincial Powers Law

Iraq's parliament passed a measure in June to amend Law #21 of 2008, also known as The Law of Provinces Not Formed Into a Region. The revision made sweeping changes that, if implemented, will dramatically empower provincial governments at the expense of the central government. Because the law was passed by parliament, it will in theory be implemented unless Iraq's Supreme Court declares some or all of it unconstitutional. The changes, namely weakening the central government at the expense of the provincial governments, are antithetical to Prime Minister Maliki's vision for Iraq. However, the revision's had broad cross-sectarian support in parliament, and Maliki may lack the political capital to challenge them in the courts. As such, it is worth exploring how some of these changes, if implemented, might impact foreign companies doing business in Iraq.

Under the new law, the provincial level branches of the following ministries will be transferred to provincial authorities in 2015: Municipalities and Public Works, Housing and Construction, Labor and Social Issues, Education, Health, Agriculture, Finance, Youth and Sports. For MNCs hoping to implement service contracts, the decentralization of the Ministries of Municipalities and Public Works, Housing and Construction, Education and Health could all have a significant impact on tendering processes for these ministries, with more discretion being devolved to provincial authorities. Large strategic projects are likely to still be the purview of a central ministry, but smaller projects may increasingly be awarded at the provincial level.

Simultaneously, oil and gas producing provinces will receive \$5/barrel of oil produced, \$5 for every barrel of refined fuel products produced, and \$5/ every 150 cubic meters of gas produced. The wording of the law is bizarre, as typically countries that allocate petrodollars at a sub-state basis do so as a percentage of revenues rather than as a fixed dollar amount due to fluctuating oil prices. However, should this indeed be implemented, it will massively inflate the budgets of Basra, Maysan, Dhi Qar and Wassit provinces.

The new law gives provincial governments the right to tax oil companies for perceived environmental damages. Indeed, in Basra, prominent ISCI politician Ahmed al-Sulayti already broached the possibility of taxing IOCs less than two weeks after the law's passage.

Analysis and Takeaway

The amendments to Law 21 are stunning in their scope. Because of the fairly dramatic changes they outline, coupled with the Supreme Court's proximity to the Prime Minister and the relative lack of capacity of Iraq's provincial governments, it seems unlikely that all, or even most, of the amendments will be realized in the near term. However, the law, and the provinces' reaction to the law should be closely monitored by MNCs operating in Iraq.

Commercial Activity: Deals & Details

Projects and Contracts Announced in June

Company Name	Industry/Sector	Country of Origin	Province/Area	Description
ABB	Electricity	Switzerland	Iraq wide	Contracted by LSIS to build a
Aksa	Electricity	Turkey	Ninewa	Exporting electricity to Ninewa
Beechcraft	Defense	USA	Iraq wide	Maintenance work on Iraqi Airforce planes
Chevron	Oil and gas	USA	Kurdistan	Signed new production sharing agreement with KRG
China Petroleum Pipeline Engineering Company	Oil and gas	China	Maysan	Building pipeline from Maysan to Basra
Citigroup	Finance	USA	Baghdad	Opened representative office in Baghdad
Doha Investment Company	Housing	Qatar	Muthanna	Building housing complex
Emaar	Tourism	UAE	Kurdistan	Building tourism complex with Farouk Group
Kartet	Electricity	Turkey	Ninewa	Exporting electricity to Ninewa
Limak	Transportation	Turkey	Kurdistan	Building tunnel connecting Zakho to Turkey

IRAQ COMMERCIAL ACTIVITY & BUSINESS DEVELOPMENT OPPORTUNITIES

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NASDAQ	Finance	USA	Baghdad	Contracted to upgrade ISX trading platform
Northrup Grumman	Defense	USA	Iraq wide	Selling Iraqi armed forces radar system
Orbin and Enta	Industry	Turkey	Babil	Rehabilitating cement plant along with Iraqi partner
OVP	Housing	Slovenia	Baghdad	Building state housing complex
Stone Oil Company	Oil and gas	Kuwait	<i>undisclosed</i>	Purchased rigs for use in Iraq
<i>undisclosed</i>	Public works	France	Diyala	Building water treatment plant
<i>undisclosed</i>	Industry	Austria	Anbar	Building plastic bag factory
<i>undisclosed</i>	Construction	France	Dhi Qar	Refurbishing stadium in Nasiriyah

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Investment Climate

KEY POINTS

- Japan loan upcoming
- Budget to increase
- Iran tourism rebounds

Japan to Lend Iraq \$1.24 billion

The Japanese government has offered Iraq a \$1.24 billion loan, according to sources Nikkei news. The bulk of the loan, \$817 million, will go towards a project to build a natural gas refinery at the Rumaila field in Basra. The balance will go towards rehabilitation of the Khor al-Zubair port, also in Basra. Assuming Iraq accepts the 40 year loan, there should be significant opportunities in the coming 1-3 years for engineering and construction companies on both projects. While it is likely the terms of the loan will ensure that Japanese companies win the primary contracts on both projects, substantial subcontracts are likely to be available to a wider swath of MNCs. Indeed, according to Nikkei JGC Corp and Chiroda Corp are rumored to be angling for the Rumaila project, while Toyo Construction and Toa Corp are thought to be interested in the port project.

Trade Delegation Cancelled Due to Violence

A Western country cancelled a trade delegation to Baghdad due to concerns over mounting violence. The delegation was supposed to include representatives from numerous major companies in the oil and gas, construction and other sectors. However, with three month levels of violence far above averages from the past three years, the trip was cancelled. The cancellation provides a concrete example of Iraq's ongoing inability to quash insurgent and terrorist violence having a deleterious effect on foreign investment in the country.

KRG Promotes Investment in Tourism

The Kurdistan Regional Government is continuing its efforts to promote private sector investment in the region's tourism sector, according to multiple KRG sources. "In order to develop the tourism sector in Kurdistan Region in a modern style, the Kurdistan Regional Government will provide tourism grants this

year for the citizens who own or intend to implement tourism projects or rebuild the tourist places or buy special equipment to serve the tourists, in accordance with the instructions of article 28," said a statement by a KRG spokesman as reported by the news site All Iraq News Agency. Meanwhile, in a conversation with Dunia, a source at the Kurdistan Regional Government Board of Investment (BOI) noted, "the tourism sector, along with the industrial and agricultural sectors, continues to be an area of strategic focus." Iraqi and foreign investors alike can sign long term leases on land at up to 95% discounts if their investment proposals in so called "strategic sectors" are approved by the BOI.

Iraq's 2014 Budget to be Largest Ever

The finance committee in Iraq's parliament announced that the 2014 budget will be in the range of \$130 billion. While the announcement is nonbinding, it is an indicator that Iraq's government intends to keep increasing Iraq's annual budget, which in turn should allow for increased public sector spending on infrastructure development projects.

Iraq's Tourism Industry Tied to the Toman

The strength of Iraq's tourism industry is largely tied to the exchange rate of the Toman, if the events of the past weeks are any indicator. Following the election Hassan Rouhani as Iran's new president elect, Iran's Toman increased in value versus the dollar. Shortly after the bounce in the currency's value, Iran's consulate in Karbala announced a spike in the number of Iranian tourists to the city. Iranian tourism to Iraq had plummeted with the decrease in value of the Toman over the past two years. A stronger Toman will have the greatest impact on Shi'a religious tourism in Karbala, Najaf and Kadhamiya, and it will also have a positive effect on more recreational tourism in Iraqi Kurdistan.

Competitor Updates

KEY POINTS

- Oil FTZ zone moves forward
- Turkish IOCs divided on KRG
- ABB wins another Iraq project

BIOGH Project Moves Forward

The Basra International Oil and Gas Hub (BIOGH), and oil and gas free zone being implemented at the Khor al-Zubair port in Basra province had its master plan approved this month by the Ministry of Finance's State Commission for Free Trade Zones, and the Basra University College of Engineering Consulting Bureau. A source with knowledge of the project noted that, "bulldozers have already begun moving dirt" on the project. The BIOGH project is designed to facilitate the work of IOCs, oil service companies, logistics operators, engineering firms and construction companies operating in southern Iraq's oil and gas sector.

TPAO Swears Off Iraqi Kurdistan

The Turkish state owned oil company TPAO stated this month that it sees its future in Iraq with Baghdad, and not with the Kurdistan region. "We have four projects and that is enough for us, it is not our business to go to the north side of Iraq," said the company's CEO Besim Sisman to Reuters. However, while TPAO is staking out a Baghdad-centric position, another Turkish state oil company is moving forward with its plans to play a role in the development of several blocks controlled by the KRG's Ministry of Natural Resources. Indeed, an industry source noted to Dunia that representatives of the latter company were physically present in Kurdistan during June. It remains unclear to what degree there is coordination between Turkey's various state owned oil companies that have interests in Iraq, but TPAO continues to move forward with its Iraq operations.

Faruk Group Looks to Financial Sector

Faruk Group Holding, the massive Sulaymaniyah-based conglomerate, is reportedly looking at entering the financial sector. In June the group reportedly approached Iraq's Central Bank about implementing

a new "Iraq International Bank" project. The group's chairman Faruk Rasul stated to al-Mada Press, "we put forward a request to the Central Bank to obtain permission to implement the Iraq International Bank because we hope to plug another gap in our country." The group is currently active in the telecoms sector through its holdings in Asia Cell Iraq, the industry sector through its cement partnership with Lafarge, tourism through its Copthorne Hotel, as well as numerous other projects in the Kurdistan region of Iraq. A source at the company noted Faruk Group is also looking at expanding into the oil and gas sector.

Paulson Buys WZR Notes

Paulson and Co bought \$68.6 million of Western Zagros convertible notes in June. Proceeds from the purchase were used by Western Zagros to repay a \$44.5 million debt to Crest Energy International. The Paulson purchase appears to show a degree of confidence in the stock, as the notes, which mature at the end of 2015, are redeemable for shares at a 27% premium of the past 30-day average stock price.

ABB Wins Electricity Order

Switzerland's ABB was awarded a contract by South Korea's LSIS to provide the Korean company with a communications system that will connect 428 substations and 150 maintenance centers. Perhaps even more dire than Iraq's electricity production is its shoddily built transmission network. An electrical engineer noted to Dunia that, "no matter how many megawatts they were producing, you still wouldn't have 24 hour power due to the underlying infrastructure." "The establishment of an effective communications system is key to the reliability and efficiency of the grid," said an ABB official in a company press release.

Conferences & Delegations

June Events

KRG, Baghdad Visit London for Energy Conference

Delegations from the Ministry of Oil in Baghdad and the KRG Ministry of Natural Resources in Erbil attended the annual CWC Iraq Petroleum Conference in London in June. Thamir Ghadban, the former Iraqi oil minister and current advisor to the government on oil and gas issues, announced in a speech at the conference that Iraq plans to produce some 4.5 million barrels of oil per day, nearly a 1.5 million barrel per day over current levels. Notably, this figure of 4.5 million barrels per day does not include production in the Kurdistan region, a sign that Baghdad does not appear optimistic that a long awaited oil and gas law, or any other durable solution to the ongoing dispute between Baghdad and Erbil around energy licensing and export rights, is in the offing. "The 4.5 million barrels a day is based on the development of the resources within the 15 governorates excluding Kurdistan because of this issue," said Ghadban in his speech, referring to the "issue" of the KRG halting exports through the Kirkuk-Cheyhan pipeline in the 4th quarter of 2012. In comments to Reuters following Ghadban's speech, the KRG Minister of Natural Resources Ashti Hawrami lamented Ghadban's announcement, stating, "I'm afraid we have never been consulted and we do not have any input into this... It excludes the Kurdistan region's potential completely." In his own speech at the same conference, Hawrami noted that the Kurdistan region is currently producing 300,000 barrels per day, with the expectation that the figure will hit 400,000 by the end of 2013. The takeaway from the conference was that even in a public forum outside of Iraq's borders, there was no tone of conciliation between officials from Baghdad and the KRG. Rather, communications between the two sides appear to be so frayed that Hawrami was caught unawares by Ghadban's statement. In light of this, and perhaps more importantly, the KRG's charging ahead with an export pipeline project to Turkey, it appears unlikely that a formal constitutionally-backed solution to the Baghdad-Erbil conflict is on the horizon. At best, expect continued ad hoc short term solutions.

Barzani and Maliki go to Russia

Prime Minister Maliki visited Moscow in June, participating in a meeting of the Gas Exporting Countries Forum. Following the forum, Maliki met with Russian leaders for two days, and reportedly encouraged investment in Iraq's gas production and refining sectors. The push by Maliki coincides with the recently announced loan of nearly \$900 million offered by the Japanese government to fund construction of a gas refinery at Rumaila. In conjunction with Maliki's message in Moscow, not to mention his participation in the forum, it's clear that development of Iraq's natural gas sector is going to be a priority in the years to come. Maliki reportedly had praise for Lukoil during his Russia visit, lauding the company's efforts at West Qurna-2. However, the Iraqi Prime Minister had harsh words for Gazprom. According to Russian news site Interfax, Maliki stated, "it would be best if Gazprom suspended their work in the Kurdistan region."

Meanwhile, KRG President Masoud Barzani also visited Russia in June, leading a Kurdish delegation to the 17th annual St. Petersburg Economic Forum. Barzani's delegation included his chief of staff Fouad Hussein, the minister of natural resources Ashti Hawrami and head of the KRG Board of Investments Herish Muharam. The presence of leading Baghdad and Erbil delegations in Russia in June are demonstrative of the high value that both the KRG and central government put on positive economic relations with Russia.

Conferences & Delegations Cont.

Key Upcoming Conferences				
Name	Location	Dates	Cost*	Contact
Iraq Telecoms 2013	Istanbul, Turkey	7-9 October, 2013, 2013	Available upon request	http://www.iraqtelecoms.com/enquiries/
Iraq Infrastructure 2013	Dubai, UAE	15-17 September, 2013	\$3,119	katie.briggs@meed.com
Basra Electricity Expo	Basra, Iraq	19-22 November, 2013	\$400+	sales@iraqelec.com
Anbar Investment Conference	Ramadi, Anbar, Iraq	3 September, 2013	\$1200	Muhannad Haimour Iraq +964-770-444-0007 Email: mhaimour@haimour.com
Basra International Electricity Exhibition	Basra, Iraq	19-22 November, 2013	\$300	+964 770 4561439/ +964 771 2258866 info@mandtiraq.com
Iraq Mega Projects	Dubai, UAE	September 30 - October 2, 2013	Free	impenq@thecwcgroup.com

* Nearly all events offered reduced prices for early registration or limited participation.

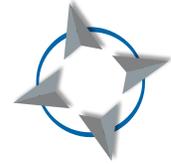
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About Us

About Dunia Frontier Consultants

With offices in Washington DC, Dubai and Kampala, Dunia Frontier Consultants (DFC) provides consulting services to investors and corporations operating at the frontiers of 21st century business. Dunia works closely with a small number of clients internationally to provide an unparalleled level of service. With a world-class staff and highly efficient global network of consultants and partners, we support your endeavors in several key areas:



- **Emerging Markets Investment.** The heart of our business, we offer a full suite of financial services, including deal sourcing, due diligence, valuation, and market survey support;
- **Risk Reporting and Analysis.** Anchored by rigorous data collection and subject matter expertise, we organize and deploy research teams to help our clients mitigate risks and optimize decision-making in key transactions;
- **Business Development.** With well-developed local networks in the world's financial capitals and across key emerging markets, we identify prime market opportunities and business partners for our clients, and provide essential insights to help them navigate new markets.
- **Information Networking and Design.** We develop and refine research methodology and analytical tools to generate useful information for clients operating in data-poor and challenging business environments.

Dunia has performed dozens of due diligence and market surveys in the agriculture, oil and gas, manufacturing, logistics, and real estate sectors of Iraq. Dunia recently completed an in-depth survey of the upstream oil and gas sector, a number of surveys of the housing and real estate markets of non-Baghdad locals, and continues providing actionable insights on developments in the Ministry of Oil, its operating entities, and with comprehensive analyses of the on-the-ground situation surrounding the major oil fields under development.

Contact: Kyle Stelma, Managing Director, kyle.stelma@duniafrontier.com, 971.50.925.9869

About US Chamber of Commerce in Iraq

The US Chamber of Commerce's Middle East and Africa Department is dedicated to advancing the commercial opportunities and interests of the broader US business community in these two dynamic regions. The US Chamber of Commerce's Iraq Business Initiative (IBI) along with the Kurdistan Region Investment Task Force, was launched in June 2008.



The IBI is a core program of the Middle East Affairs Department. It is also an important part of the organization's International Division that is focused on helping the US business community compete in the global marketplace. The IBI is made up of a group of very distinguished American businesses. Its mission includes increasing member's access to Iraqi markets, helping expand investment opportunities, and promoting dialogue and access to decision makers in the United States, the Government of Iraq (GOI), and the Kurdistan Regional Government (KRG). It also encompasses effective advocacy and business development programs throughout Iraq and the United States.

The IBI is the premier venue for dialogue between American and Iraqi business and governmental decision makers, and over the last three years the US Chamber has led the force in the dialogue about economic development in Iraq. There are a number of challenges that Iraq and the United States face in this crucial time of transition and the Chamber is dedicated to eliminating these challenges. The aim of the IBI is to generate and execute on new ideas for partnerships and business policy that can influence the thinking of our government, our business leaders, and their counterparts.

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