



Official Gazette of Iraq

Instructions to Facilitate the Implementation of the Provisions of the Commercial Agency Regulation Law

No. (1) Of 2020

تعليمات تسهيل تنفيذ احكام قانون الوكالة التجارية

Translated in:
Ministry Of Justice
Iraqi Gazette Office
Translation department
2022



Instructions

Translator's note: As the (Party) represents a natural or legal person, we generally referred to it as (it/ he/ she).

Based on the provisions of Article (23) of the Commercial Agency Organization Law No. (79) Of the 2017, we issued the following instructions:

No. (1) Of 2020

Instructions to Facilitate the Implementation of the Provisions of the Commercial Agency Regulation Law No. (79) Of 2017

Article 1

Commercial agency is a regulated contract between two parties and includes the following:

First: The commercial agency: It shall be organized by a contract under which the first party (the foreign principal, whether a natural or legal person) authorizes the second party (the Iraqi commercial agent, whether a natural or legal person) the right to represent it/ him/ her and work in its/ his/ her name and for its/ his/ her account in Iraq, in return for a profit or commission or a salary, a lump sum wage, or a percentage of the amount of contracts concluded through the mediation of the agent for a certain period, provided that it is mentioned in the contract, its appendix or in a duly certified explanatory letter, the products or services of the first party.



Instructions

Second: Agency with commission: It shall be organized by a contract whereby the first party (the foreign principal) authorizes the second party (the Iraqi commercial agent) the right to work in Iraq in the name of the agent and for the account of the principal and on its/ his/ her terms, including carrying out distribution and marketing work for the products of the first party and providing services on its/ his/ her behalf in return for a commission in the form of a percentage of sales or rather, the services provided and for a specific period, provided that it is mentioned in the contract or its appendix or in a duly certified explanatory letter, the products or services of the first party.

Third: Distributor's agency: It shall be organized by a contract whereby the first party (the foreign principal) authorizes the second party (the Iraqi distributor) to purchase the commodity for its/ his/ her account, and its/ his/ her ownership shall be transferred to it/ him/ her, then it/ he/ she re-offers and sells it at the price it/ he/ she decides in return for a profit and the provision of after-sales services, provided that it mentions in the contract, its appendix or a duly authenticated explanatory letter, the products or services of the first party.

Fourth: Franchisor's agency: It shall be organized by a contract whereby the first party (the foreign principal) authorizes the second party (the Iraqi franchisor) to use one or more intellectual property rights for the purposes of



Instructions

producing the commodity locally in accordance with the approved specifications, marketing it and providing after-sales services to it bearing the original trademark owned by the franchisor in accordance with its/ his/ her instructions and under its/ his/ her supervision exclusively in a geographical area and for a specific period of time, with the commitment of the franchisor to provide assistance, support and technical advice in return for a fee or part of the advantages or economic benefits of the project, provided that it is mentioned in the contract, its appendix or in a duly certified explanatory letter, the products or services of the first party.

Article 2

First: The commercial agent shall be obligated to affix the mark, the trade name, the commercial agency number and the name of the product on all imported materials.

Second: Agency contracts that are limited to the practice of maintenance work, the supply of spare parts for products and goods or the provision of after-sales services only on behalf of the foreign principal, may be registered.

Article 3

An application for granting a license to practice the normal commercial agency business shall be submitted to the Company Registration Department, accompanied by the following documents:



Instructions

First: A copy of the civil status identity and Iraqi nationality certificate or the unified card with the residence card.

Second: The trade name registered in the commercial register.

Third: The identity of the Chamber of Commerce, including an indication that the type of business is (commercial agencies).

Fourth: The title deed or the lease contract for the commercial office duly certified.

Fifth: A register of commercial agencies.

Sixth: A commercial agency contract on behalf of the foreign principal, indicating its name and nationality, duly certified.

Seventh: A written undertaking includes that:

- a. He/ she is not an employee in the state departments and the public sector or assigned to a public service.
- b. He/ she is not convicted of a non-political felony or a dishonourable misdemeanor.

Eighth: Tax ID.

Article 4

If the license applicant is a company, it/ he/ she shall be required to submit an application accompanied by the following documents:

First: The Company's incorporation certificate duly authenticated.

Second: The Company's articles of incorporation duly certified.

Third: The minutes of the general assembly meeting regarding the appointment of the managing director of the company, duly certified.



Instructions

Article 5

The parties wishing to contract with the foreign principal through its/ his/ her commercial agent in Iraq must ensure that it/ he/ she is permitted to practice commercial agency business, and that its/ his/ her commercial agency has been registered in its/ his/ her name in the Company Registration Department.

Article 6

The commercial agent shall commit to the following:

First: Notifying the Company Registration Department of every amendment or change that occurs to the agency contract with the support of the foreign principal, duly authenticated, within a maximum period of (60) sixty days from the date of the amendment or change.

Second: Keeping a book to record its/ his/ her commissions in accordance with the requirements of the commercial business, provided that it includes the following information:

- a. The number and date of the license granted to the commercial agent.
- b. The name of the foreign principal.
- c. The amount or percentage of the commission and the net profit, wage or salary.
- d. The number and date of the accreditation in accordance with the method of payment.
- e. Received and non-received commission, profits or documentary credit
- f. The commercial agent's name, address and signature.

Third: Submitting the ledger stipulated in Item (Second) of this Article with a statement of two copies of commissions accrued for its/ his/ her account received and not received



Instructions

with bank citations supporting that to the Company Registration Department in accordance with the law.

Article 7

Instructions of regulating commercial agency business no. (1) Of 2014 shall be repealed.

Article 8

These instructions shall be implemented from the date of their publication in the Official Gazette.

Dr. Alaa Ahmad Hasan,

Minister of Commerce