

Report on the visit of the BGMEA Delegation to Iraq **From 17-24 August 2023**

The Background of the Initiative: Iraq is an oil rich middle eastern country with a population of around 42 million. In recent years, with apparently improved political situation domestically and regionally, its socio-economic condition in Iraq is seen improving. Government departments and local bodies started implementing large scale infrastructural development projects with the financial and technical assistance from the development partner countries (namely China, Japan, South Korea). Large scale investments are also seen coming in from countries in the region like KSA and Qatar.

Bordered with countries like Syria, Jordan, KSA, Kuwait, Iran and Turkiye, Iraq is largely an import dependent country. Its import partners predominantly include Iran, Turkiye, China. Of late, with their continuous efforts (exchange of delegation, participating in regular fairs, organizing single country fairs etc), the South Asian countries (India and Pakistan) has also been seen becoming major trading partners of Iraq. Export of different goods (mainly rice, spices, showcasing items) from these countries has been increasing in recent years. Traditionally, the Iraqis are tea lovers-consuming tea after their meals, often three times a day- where Sri Lanka has been seen occupying major chunk of Iraqi tea market.

Despite the huge potentials, the trade between two friendly countries has still been very low (around \$55.0 million per year). And it is heavily leaned to the Iraq side (of the total \$55.0 million the record shows around \$45.0 million is in favour Iraq).

Moreover, many Iraqis still considers Bangladesh as only a labour exporting country and have a very little idea about the tremendous development that has been happening in the Bangladesh. In addition to Mission's efforts over the last two years in different fronts, it considers visits/exchange of business delegations would create a direct and lasting impact on breaking this impression. It may be noted, that with efforts from the Mission, around 44 businessmen in four groups attended the **Made in Bangladesh Week** in November 2022 organized by the BGMEA.

Based on the experience, the Bangladesh Mission in Iraq considers that Iraq can be a very prospective market for Bangladeshi goods like tea, RMG and textiles, leather products, medicines, electronic products, ceramics and other consumer products. On this backdrop, the Mission has been consistently pursuing different chamber bodies and individual companies to actively consider Iraq as a new destination for their exports and undertake some marketing activities.

As a result of such efforts, a seven-member business delegation (**list of members attached as Annex A**) led by Mr. Faruque Hassan, the President of the BGMEA, visited Iraq recently. Arriving on 17 August 2023 in Baghdad, the team left Iraq on 24 August 2023 from Erbil.

Specific Objectives of the visit: Based on the discussions, it was learnt that the specific objectives of the team's visit were to expand RMG export to the Iraq market and share views on how the two friendly countries can mutually be benefited by making investment in RMG and Textiles sector, in particular.

Attaining these objectives, require meeting relevant business people, share views with them, explain to them the competitive edge that Bangladeshi products have and arranging B2B meetings. In addition, visiting some market places to assess, in general, the types and quality of garment products available in Iraq markets.

Organizing the visit by the Mission: Upon receipt of the request (**copy attached as Annex B**) from the BGMEA to facilitate the visit, the Mission took up the first ever visit of a business delegation, though private, from Bangladesh to Iraq with greater importance and top priority. Accordingly, the Mission did the necessary homework, H E the Ambassador met the prospective people in the government and private sector beforehand and solicited their support.

The Mission maintained regular contact with the BGMEA and prepared a draft list of activities for the whole visit based on the discussion (**visit itinerary attached as Annex C**). The Mission had also undertaken all necessary steps afterwards keeping regular contacts with the targeted key stakeholders in Iraq to make the visit a successful one, combining both public and private sector.

Organizing the visit: With the arrival of the delegation in Iraq, the Mission was always by its side to provide all out support and implement the visit in line with the draft schedule. Apart from visiting famous shrines and offering Jhiara, the delegation met and exchanged views with important dignitaries in the government and also in the private sector, both in Baghdad and in Erbil of Kurdistan Region. The list of such dignitaries and business bodies included the following:

A. In Baghdad and Najaf (Province):

1. H E Dr. Khaled Battal Najim, Hon'ble Minister of Industries and Minerals of the Republic of Iraq.
2. H E Mr. Atheer Daoud Al-Gurairy, Hon'ble Minister of Trade of Iraq.
3. Director General of Leather & Textiles, Ministry of Industry and Textiles, Baghdad, Iraq.
4. Federation of Iraqi Industries, Baghdad, Iraq.
5. Federation of Chambers of Commerce (FICC), Baghdad, Iraq.
6. Najaf Chamber of Commerce, Najaf, Iraq.

B. In Erbil (Capital of Kurdistan Region) of Iraq:

1. H E Mr. Kamal Muslim Saeed, Hon'ble Minister of Trade of Kurdistan Regional Government (KRG), Iraq.

2. H E Mr. Safeen Dizayee, Hon'ble Minister of Department of Foreign Relations (DFR) of KRG.
3. H E Dr. Mohammed Shukri, Hon'ble Chairman (Minister) of Investment Board of Kurdistan Region of Iraq.
4. Federation of Chambers of Commerce in Kurdistan Region of Iraq.
5. Erbil Chamber of Commerce and Industry, Erbil, Kurdistan.

Meeting Discussion Points: The meetings broadly exchanged views in the following lines:

BGMEA Delegation: The delegation expressed its happiness and satisfaction to the Iraq side for warm welcome and for extending all out support. Conveying heartfelt thanks to Iraq side, it briefed the Iraqi Ministers and business leaders about-

- The overall socio-economic and infrastructural development Bangladesh has been achieving under the pragmatic leadership of hon'ble Prime Minister.
- The garments and textile industry position in Bangladesh compared to the world market. The standards of factories and products, the main export destinations and international brands buying the Bangladeshi RMG. And, also this sector's contribution to overall export earnings of Bangladesh.
- The overall business and investment friendly climates in Bangladesh and facilities and incentives available for foreign investors; and
- Appealed to Iraqi businessmen to visit Bangladesh and consider investing in EPZs or EZs in RMG & Textiles and in any other sector they are interested in.
- Bangladesh side is ready to provide Iraqi businessmen/delegation and investors all necessary cooperation once they make plan and visit Bangladesh.

Views from Iraq side: The Iraqi counterparts warmly welcomed the first ever a business delegation from Bangladesh. They expressed satisfaction knowing about the socio-economic development in Bangladesh. Appreciated the Ambassador for the hard work for keeping his promises and for making this visit happen. Their views included, among others the following:

- Iraq imports almost everything except oil from other countries. So, there are clear scope for Bangladesh to expand their businesses to the Iraq market. The Iraq government and business bodies are ready to provide all necessary cooperation.
- The Embassy had done its job to help connect with the businessmen from Iraq. However, Bangladesh businessmen have to come forward and make space for their products through their marketing activities-
 - Like other countries, Bangladesh business people can take part in the Baghdad International Fair (from 01 November to 10 November 2023). Bangladesh can also organize single country trade fair as some other countries used to do;

- Bangladesh side can actively consider to open commercial center (display cum sale center) to showcase their products;
- It can also consider to market their own brands in Iraq by opening branches as done by some other countries;
- Iraqi government is open to foreign investment and provide various facilities/incentives. Interested Bangladesh businessmen can consider setting up RMG & Textile factory here with 100% equity or as a joint venture.
- The Kurdistan Board of Investment expressed their keen interest to get connected with BIDA and build meaningful partnership for mutual benefit.

Some Important Mentions: In the meeting with the Hon'ble Minister of Trade, he particularly drew the attention of the Ambassador for quick conclusion of the Trade Agreement pending with Bangladesh side. He suggested, the working level from both sides can sit and finalise the draft Trade Agreement soon possible. He also wished to visit Bangladesh in future to meet his counterpart and see the development status of Bangladesh.

The FICC President also mentioned he has been waiting to sign the MoU with FBCCI that remained pending with Bangladesh side. He added, FICC informed FBCCI in November 2022 that it is ready to sign the MoU shared by Bangladesh side.

Factory Visit: The BGMEA delegation visited two factories in Baghdad and Erbil and discussed about possible future cooperation. Besides, the team also visited some modern shopping malls in Baghdad and Erbil. These visits helped them getting first hand idea about products available in Iraq market, their standards and prices.

B2B Meetings: The two B2B meetings organized in Baghdad and Erbil, also found very interactive and encouraging. The delegation members displayed the sample products they had carried with them to the prospective Iraqi buyers and responded to their various queries. The delegation had also taken some sample garments from prospective Iraqi buyers and committed to share counter samples with price to make future deals.

Concluding Remarks:

Iraq side has accepted and welcomed the visit very positively and are very hopeful of follow-up activities. They expressed their optimism about continuity and strengthening of bilateral business activities in the near future.

Iraq is an import dependent country. So, there are scopes of enhancing the trade and investment and both sides should closely work together to materialize it.

The visiting team was convinced about the scope to expand their export market to Iraq and left Iraq with a very positive impression. They were very happy with the arrangements in particular the security, protocol and hospitality extended to them by

Iraqi business chambers and ministries (specially Minister of Industry and Minerals who visited Bangladesh in last March and by the Department of Foreign Relations of KRG).

The delegation expressed their positive responses to the requests to participate in Baghdad International Fair in this November, setting up of commercial center, exchange of more delegations and actively reviewing the investment scope/offer (specially from Erbil).

Expressing heartiest thanks to the Embassy team for arranging the program so efficiently and meaningfully, the delegation seconded the views of Iraq side that Embassy has played its role to facilitate the connection between the two sides. Now, it is their part to take steps to build on this and make bilateral business relation stronger.

Remarks from H E the Ambassador: Bangladesh Ambassador to Iraq personally talked to the Hon'ble Executive Chairman, BIDA and briefed him about the interest of the Kurdistan Board of Investment and has shared the necessary contacts.

The Ambassador expressed his sincere thanks to the delegation for the visit and requested to share their findings and feelings about Iraq market with the concerned ministries and business bodies in Bangladesh. He also expressed Mission's readiness to extend support to the business community in future to the best of its capacity.

H E also expressed his sincere thanks and gratitude to the Iraqi Ministries, business bodies and individual group for their cordiality, hospitality and valued time.

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Some pictorial views from the visit of the delegation:



The delegation in the Embassy



The delegation at the Bangabandhu Corner



Delegation at the FICC



Delegation with Hon'ble Minister of Industry & Minerals



Delegation at the Shrine of Hazrat Ali (RA)



Delegation in meeting with Hon'ble Minister of Trade



With Chairman, Federation of Kurdistan Chambers



Meeting in Erbil Chamber



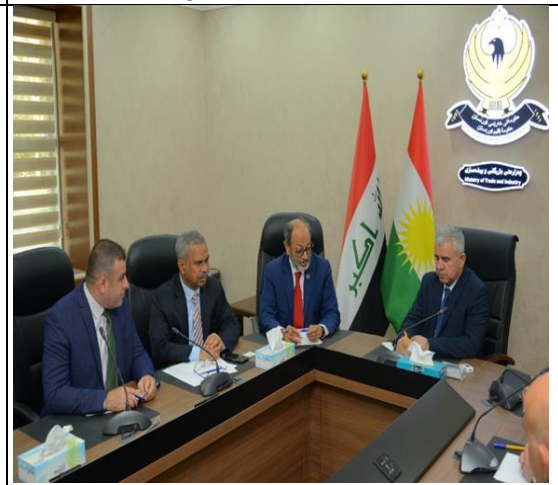
B2B meeting at FICC in Baghdad



After meeting with Hon'ble DFR Minister



In meeting with Chairman, Kurdistan Board of Investment



In meeting with Hon'ble Minister of Trade, KRG



Factory visit



At the Najaf Chamber