

# **Law No. (51) of 2000 Organization of the Commercial Agency**

**In the Name of the People,  
The Revolutionary Command Council**

**Resolution No. (142)**

**Dated 21st. Jumada Al- Akhira, 1421 H.**

**19-9-2000 A.D.**

In accordance with the provisions of Para.

A) of Article 42 of the Constitution,

The Revolutionary Command Council have decided to promulgate the following Law:

**Law No. (51) of 2000  
Organization of the Commercial Agency**

## **Article -1-**

This law aims at organizing works of the commercial agency which it is exercised in Iraq \*y an agent for the interest of natural or juristic person from outside Iraq, as well as regulating the dealing of the state departments, the socialist, mixed and private sector, and the federations with the Arab and foreign natural and juristic personalities in a form which achieves the national development and to prevent from the exploitation and to secure the interest of the national economy.

## **Article -2-**

The objectives of this law shall be realized by the following means:

Firstly- To obtain the licence of practising works of the commercial agency.

Secondly- To register the commercial agency in a special record according to the provisions of this law.

Thirdly- The control over activity of the commercial agents.

### **Article -3-**

The following expressions shall have the meanings stated thereagainst for the purposes of this Law:

Firstly- The commercial agency: It is every commercial practise carried out by a person in Iraq in a capacity as an agent for natural or juristic person from outside Iraq whether it was a commercial agency or by commission agent or by any other commercial agency stipulated in the special laws of the trade, companies, and transportation.

Secondly- The commercial agent: Is the natural or juristic person who exercises any works of the commercial agency provided for in Item (Firstly) of this Article.

Thirdly- Registrar- The registrar of the companies.

Fourthly- The License- The certificate which issued by the registrar to the commercial agent.

### **Article -4-**

Firstly - As a condition in granting the license to the commercial agent should be:

A- Iraqi subject and residing in Iraq

B- Legally competent and attained the 25th. Years of age.

C- Not to be convicted with a crime derogatory to honour.

D-Possessed a commercial bureau in Iraq for practising his work.

E- Affiliated into one of the chambers commerce in Iraq and has a commercial name.

F- Completed the allegiance to the homeland

G- Not to be a civil servant or be entrusted with a public service.

Secondly - The Minister of Trade may exclude temporary the applicant of granting the license from the conditions provided for in the two Paras. (D&E) of Item (Firstly of this Article, provided that these conditions should be completed during a period to be defined by the minister.

Thirdly - If the seeker of granting the license is a company, therefore, it would be stipulated therein, in addition to the conditions stipulated in the two Paragraphs (D&X) of Item (Firstly of this Article which should be an Iraqi, and all its capital should be owned by the Iraqis.)

Fourthly- It is not permissible to register more than three agencies for the natural or juristic person, and the agencies registered that exceed the mentioned number should be written off according to the choice of commercial agent concerned.

#### **Article -5-**

Firstly- The applicant of granting the licence should submit to the registrar to obtain the license of practising the works of the commercial agency to be supported by the documents approve the fulfilment of the conditions provided for in Article (4) of this law.

Secondly- The registrar should decide in the application during (30) thirty days from the date of submitting him the request and the applicant in case of refusing it may object before the Minister of Trade during (30) thirty days as from the following day of the date being notified by refusing the request and the decision of the minister in this regard shall be deemed as final.

Thirdly- The registrar on the acceptance of the request should issue the licence which it must contain the serial number and date together with the name of the commercial agent,, his address and his picture or the photo of the managing director if it is a company.

## **Article -6-**

Firstly- The commercial agent should submit a request to renew his licence every two years during (60) sixty days of its expire \* what soever was the date of granting the licence or its previous renewal.

Secondly- If he did not submit the request of renewing his licence during of this period provided for in Item (Firstly) of this Article, then the registrar should impose : fine amounting (1000) one thousand dinar for every delay day and for a period of no\* exceeding (60) sixty days.

Thirdly- If the agent belated on renewing the licence for the period provided for in Item (Secondly) of this Article, therefore the registrar should cancel the licence, and the commercial agent may object to the minister during (30) thirty days from the following day to the date of being served by it, and the decision of the minister in this regard shall be final.

Fourthly- It is not permissible to grant a licence to the agent unless after paying the duties and fines being imposed on him.

Fifthly- Upon abolishing licence of the agen\* and having not obtained the new licence during (180) one hundred and eighty days from the date of its abolishment, in this manner, it would pursued by the rule of law the abrogation of all his agencies registered according to the provisions of this law with out prejudice with the commitments accrued on him before abrogation of the licence.

## **Article -7-**

Firstly- The registrar should cancel the agents licence in one of the two following cases:

A- On missing any term of the conditions stipulated in Article (4) of this law.

B- In case of non submission a certified commercial agent according to the law during (90) ninety days from the date of obtaining the licence.

Secondly- The agent has the right of the objection against the decision of the registrar before the minister during (30) thirty days from the date of being notified with the abolishment of his licence and the decision of the minister in this respect shall be final.

## **Article -8-**

The registrar may decide to consider any commercial activity carried out in Iraq by a natural or juristic person in accordance with the legal evidences as a commercial agency to be subject to the provisions of this law and those concerned may have the right to make objection before the minister during (30) thirty days from the date of being served with the decision of the registrar and the decision of the minister in this regard shall be deemed final.

## **Article -9-**

The agent should submit a request to the registrar to register his all commercial agencies for the natural persons, companies, and the Arab and foreign authorities after completing their certifications according to the law.

## **Article -10-**

Firstly- The agent must keep a special book to be free from deletion, scratch, interlineations or space not to be required in procedures of the commercial bookkeeping provided that it should display to the registrar or whoever he authorises on opening it to fix number of its pages and stamping each page there from, and that to be in end of every year for the attestation on the number of the pages used prior ending of the year and for the indication of closing it in the last page of it.

Secondly- The commercial agent register in the special book the amount of commission accrued on him, showing the quantity of whatever is remitted there from to Iraq through mediation of the licensed banks and its rations into amounts of the dealings being contracted and what have been done from the commercial transactions for the account of his client together with mentioning names of all those concerned with their full addresses.

Thirdly- The commercial agent should submit to the registrar a statement in two copies during (60) sixty days from the beginning of the year with the commercial works which he had carried out during the previous year, provided that it should include the total amounts accrued to him by practising the commercial agency works in details, and the amount of what he actually had been received there from, together with mentioning the authorities which had been transferred to him such amounts, and the documents and banking certifications confirming thereof, and the registrar may accept the statement after the elapse of the said period during (90) ninety days as from the date of its expiration, if the delay was by a legitimate excuse.

Fourthly- The agent may import the materials allowed to be imported with the full amounts of the commissions accrued on him or a part therefrom, and refunding whatever remained from the currencies to Iraq.

#### **Article -11-**

The agent shall be allowed to deal in all kinds of the goods without defining the commodity's specialization according to the instructions issued in this regard.

#### **Article -12-**

The registrar shall have the power of supervision and surveillance over the works of the agent and be may send a delegate on his behalf to inspect his office and auditing his book keeping.

#### **Article -13-**

Firstly- The Arab and foreign company on wishing to select an agent to it in Iraq must submit an application to the registrar in this regard.

Secondly- The registrar shall undertake to provide the Arabian and the foreign company with names of licensed commercial agents for choosing a commercial agent to represent thereof in Iraq.

#### **Article -14-**

Firstly- The State departments and the Socialist sector shall avoid and prevent dealing with the commercial agents whatever they take of names whether they were natural or juristic person, and its dealings should be directly with Arab & Foreign companies.

Secondly- It would be difficult for the State departments and the Socialist sector to the direct dealing with the Arab and foreign companies, therefore they should forward a request to obtain the approval of central authority upon dealing through the licensed commercial agents.

#### **Article -15-**

There shall be punished with the interim imprisonment whoever commits an act of the works of the commercial agent prior obtaining the license or did not register all his agencies or acted contrary to the provisions of Article (14) of this law and if the contravenor was a juristic personality therefore who is representing him legally shall be punished with the same penalty and taking into consideration the provisions of Article (80) of the Penal Code No. (111) of 1969.

#### **Article -16-**

There shall be punished with life imprisonment whoever is entrusted in a public service carried out intentionally with works of the commercial agency for the sake of concluding a contract with the State Departments and Socialist sector.

#### **Article -17-**

There shall be punished with life imprisonment or for a certain term, every civil servant in the state departments and socialist sector acts contrary to the provisions of Article (14) of this Law.

#### **Article -18-**

Firstly- There shall be punished with a fine not less than (10000) ten thousand dinar and not exceeding (100000) hundred thousand dinar every agent:

A- Who did not keep a book indicating in it amount of the commissions realized according to provisions of Item (Secondly) of Article (10) of this Law.

B- Who did not submit a statement within the period prescribed in Item (Thirdly) of this Law.

C- Who did not submit the statements relating to his importations from amount of the commissions accrued to him together with the statement of the commissions prescribed in Item (Thirdly) of Article (10) of this Law.

Secondly- The penalty shall be with imprisonment in case of recidivism on committing any of the acts stipulated in Item (Firstly) of this Article.

#### **Article -19-**

The licensed agent should adapt his positions before coming into force of this law according to its provisions during a year from the date of its enforcement otherwise his licence should be deemed as cancelled.

#### **Article -20-**

The Minister of Trade may exclude, any of the departments of the State and the Socialist sector on their dealings in a capacity as commercial agent from the provisions of this law by a statement to be published

in the publication of department of companies registration.

#### **Article -21-**

Firstly- The following duties shall be:

A- (25000) twenty five thousand dinar for issuance a licence.

B- (15000) fifteen thousand dinar for registration the commercial agency

C- (10000) ten thousand dinar for renewing licence.

Secondly- The Council of Ministers or whomsoever authorizes may amend the amount of the duties and fines prescribed in this law should the necessity require so.

#### **Article -22-**

Firstly- The Law of Organizing the Commercial Agency No. (26) of 1994 shall be repealed.

Secondly- There shall be excluded from the provisions of this law the Scientific Bureaux for Propagating the licensed drugs in accordance with the provisions of the Resolution of Revolutionary Command Council No. (60) of 1998.

#### **Article -23-**

The Minister of Trade may promulgate instructions to facilitate the execution of the provisions of this Law.

#### **Article -24-**

This law shall be implemented from the date of its publications in the Official Gazette.

**Saddam Hussain**

**Chairman of the**

**Revolutionary Command Council**

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