

The Need for a US Commercial Counselor Based in Iraq



Door Knock

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POLICY ISSUE

The United States Commercial Service is the trade promotion arm of the U.S. Department of Commerce's International Trade Administration. These trade professionals are located in more than 75 countries to assist U.S. companies in exporting or increasing sales to new global markets.

A dedicated Commerce Department officer is needed in the Baghdad Embassy to promote American business interests and encourage understanding between the US and Iraq.

U.S. Commercial Service officers were withdrawn from Iraq when the security environment became non-permissive during the ISIS insurgency, which precluded commercial officers from carrying out essential activities throughout Iraq.

DISCUSSION

With the decline of Da'ish and given steady progress in security and stability, Iraq is poised to transition from a central economy to a privatized market environment. Already, other countries are seeing Iraq as increasingly inviting to foreign investment.

A Commercial Officer is essential to putting American businesses seeking to do business in Iraq on at least an equal footing with competitors from countries with fully-supported commercial offices in Baghdad -- *i.e.*, the German Liaison Office for Industry and Commerce in Iraq, the Korean Business Center Baghdad, the Chinese Economic and Commercial Counselor's Office, the UK Department for International Trade Iraq, *etc.*



Discussion (cont'd)

At present, the State Department handles commercial relations for U.S. companies in Iraq including dispute resolution and encouraging policy such as breaking Iraq energy dependence on Iran. While often the Departments of State and Commerce policies overlap, involvement of the American business community in commercial efforts is more in the purview of the Commerce Department.

This “Partner Post arrangement” is employed in three other countries in the Middle East – Algeria, Oman and Bahrain, countries that do not represent the business opportunity for American companies that Iraq does.

- The arrangement has been in place in Iraq since September 2018 and is working (as evidenced by award of the first Gold Key Service, a Commerce Department designation) but detracts from other responsibilities of the Economic Section.
- Commerce Department functions such as advocacy and match-making are less in Department of State’s areas of interest and essential if American companies are to play a role in Iraq’s future.



RECOMMENDED ACTION

As the new Government of Iraq takes shape following the election earlier this year, and as US guidance evolves away from the Strategic Framework Agreement, global and domestic influences are poised to shape commercial relations between Iraq and the rest of the international business community.

Extraordinary opportunities should be matched with steps in equal measure.

The assignment of a Commercial Attaché to the US Mission-Iraq promises a new level of strategic synchronization between US policy interest in alignment with US business interests.