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# Instructions 3 of 2023 implementing the declaration system for funds transferred across Iraqi borders, entering and exiting

*Unofficial translation  
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Central Bank of Iraq  
Arabic Language*

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### Article 1- Definitions

For the purposes of these instructions, the following terms shall have the meanings indicated opposite them:

First: Declaration means providing appropriate information to the representative of the General Authority of Customs upon request.

Second: False declaration means providing false information about the value of the currency and bearer negotiable instruments being transported, or providing other incorrect information related to the value of the currency and bearer negotiable instruments being transported, or providing other incorrect information requested by the representative of the General Authority of Customs. This includes failure to submit the declaration as requested.

Third: Bearer negotiable instruments include monetary instruments in the form of a bearer document, such as traveler's checks; negotiable instruments (including checks, promissory notes, and payment orders), which are either bearer-issued, endorsed without restrictions, issued to a fictitious beneficiary, or in a form that enables the right to transfer upon delivery; and incomplete instruments, including checks, promissory notes, and payment orders signed but with the name of the payee omitted. Fourth: Precious metals: gold, silver, platinum, and other precious metals, whether in the form of bullion, jewelry, or any other form.

Fifth: Precious stones: such as diamonds, topaz, amber, sapphire, emerald, rubies, rubies, natural pearls, and other precious stones.

Sixth: Suspicion that the General Authority of Customs representative may be faced with a situation of ambiguity and lack of clarity, which may be the result of the justification provided by the money transferor, their apparent behavior, the method used in transferring the funds, the purpose of the money transfer, or the destination of the transferred funds.

### Article 2 - Public Information

First: Every customs office at airports and ports must place sufficient informational signs in Arabic, Kurdish, and English, in high, visible locations, explaining the provisions contained in these instructions, as well as clarifying the penalties that may result from false declarations or in cases where information is refused to a representative of the General Authority of Customs. Second: It is permissible to bring in or take out the sums of money mentioned below into or out of the Republic of Iraq, whether the traveler has them in his possession, in his baggage, and whether he intends to transport them by mail or by shipping service:

1. 1 - Amounts equal to or less than (20,000) USD (twenty thousand USD). If the traveler is required to declare the funds in his possession, if he has in his possession sums exceeding (10,000) USD (ten thousand USD) to (20,000) USD (twenty thousand USD), he must present evidence supporting the purpose of bringing in or taking out these sums. If the supporting documents are not available, the traveler must submit an undertaking to bring these documents within (30) days from the date of the declaration.
2. Amounts in Iraqi dinars equal to or less than 1,000,000 Iraqi dinars (one million Iraqi dinars).

Third: The above applies to persons aged 18 years or older. For those under 18, the funds in their possession must be added to the limit permitted by the guardian.



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### Article 3 - Submitting a Declaration

Every traveler entering or exiting Iraqi territory must declare any cash, currency, or bearer negotiable instruments they are carrying, upon request from a representative of the General Authority of Customs. The declaration process is carried out by any person who transports cash, currency, or bearer negotiable instruments into or out of Iraq, whether personally, in a bag, by postal service, by shipping service, or by any other means. The declaration shall include the value of such currency and bearer negotiable instruments, which must be declared upon request from a representative of the General Authority of Customs, in accordance with the official declaration form (a copy of which is attached).

### Article 4 - Procedures of the General Authority of Customs Regarding Natural Persons

First: The representative of the General Authority of Customs at airports and ports shall monitor the movement of departing and arriving passengers and select a sample of passengers to request their declaration of the money, currency, or bearer negotiable instruments they possess. Appropriate measures shall be taken in the following cases:

- 1- If the selected natural person declares that they do not possess money, currency, or bearer negotiable instruments, the representative of the General Authority of Customs may take one of the following two options:
  - Allow the concerned person to depart.
  - Verify the validity of the declaration by requesting the concerned person to present the money, currency, or bearer negotiable instruments they possess personally or in their baggage, or the money, currency, or bearer negotiable instruments they intend to transport by mail or shipment. If it is proven that a person is in possession of funds, currencies, or bearer negotiable instruments, the amount must be seized in accordance with the provisions of Article 6 below, and a seizure report must be drawn up.
- 2- If the selected natural person declares that he is in possession of funds, currencies, or bearer negotiable instruments amounting to less than \$10,000 (ten thousand USD), or its equivalent in other foreign currencies, the General Authority of Customs representative may take one of the following two options:
  - Allow the person concerned to leave.
  - Verify the validity of the declaration by requesting the person concerned to show the money, currency, or bearer negotiable instruments he personally possesses or has in his bag, or the money, currency, or bearer negotiable instruments he intends to transport by mail or shipment. If it becomes clear that the person possesses or intends to transport an amount that exceeds, or does not equal, the amount he declared, in this case the amount and the negotiable instruments must be seized in accordance with the provisions of Article 6 below, and a seizure report must be drawn up on the incident.
- 3- If the selected person declares that he or she possesses funds, currencies, or bearer negotiable instruments equal to or exceeding the value of \$10,000 (ten thousand USD) to \$20,000 (twenty thousand USD) or its equivalent in other foreign currencies, the General Authority of Customs representative must request that the person concerned complete a declaration form and provide evidence supporting the purpose of bringing in or taking out these amounts, in accordance with the provisions of Article 2/Second/1 above. The General Authority of Customs representative may also choose one of the following two options:



- Allow the person concerned to leave.
  - Verifying that the information declared in the declaration form matches the actual funds, currencies, or bearer negotiable instruments the person in question possesses or intends to transfer into or out of Iraq. If the information matches, the person in question is permitted to leave. If the information does not match, the amount and the bearer negotiable instruments shall be seized in accordance with Article 6 below, and a seizure report shall be prepared.
- 4- If the selected person declares that he possesses funds, currencies, or bearer negotiable instruments whose value exceeds \$20,000 (twenty thousand USD) or its equivalent in other foreign currencies, the representative of the General Authority of Customs shall seize the amount and the bearer negotiable instruments in accordance with Article 6 after verifying the value of the amount and preparing a seizure report.
- 5- If the selected person declares that he possesses funds in national currency equal to or less than (1,000,000) Iraqi dinars (one million Iraqi dinars), the representative of the General Authority of Customs may take one of the following two options:
- Allow the concerned person to leave.
  - Verify the validity of the declaration by requesting the concerned person to present the Iraqi dinar funds he personally possesses or has in his bag, or the Iraqi dinar funds he intends to transport by mail or shipment. If it becomes apparent that the person possesses an amount that exceeds or does not equal the amount he declared, or intends to transport, the amount and negotiable instruments must be seized in accordance with the provisions of Article (6) below, and a seizure report must be drawn up.
- 6- If the selected person declares that he possesses funds in national currency exceeding (1,000,000) Iraqi dinars (one million Iraqi dinars), the representative of the General Authority of Customs must seize the amount in accordance with the This is stipulated in Article 6 after verifying the amount and preparing a report of the incident.
- 7- If the selected person declares that he personally possesses, or has in his baggage, or intends to transport, precious metals or gemstones by mail or shipment, the value of which is equal to or less than \$10,000 (ten thousand USD) or its equivalent in any other currency, he shall be permitted to leave.
- 8- If the selected person declares that he personally possesses, or has in his baggage, or intends to transport, precious metals or gemstones by mail or shipment, the value of which exceeds \$10,000 (ten thousand USD) or its equivalent in any other currency, he shall be required to complete a declaration form.

Second: The General Authority of Customs representative shall, in cases he deems appropriate, verify that the funds are free from forgery. If forgery is confirmed, the General Authority of Customs shall notify the Anti-Money Laundering and Terrorism Financing Office and relevant authorities, so that legal action may be taken accordingly.

Third: An adequate number of declaration forms shall be provided at all border crossings to all arriving and departing travelers to meet the requirements set forth in paragraph (first) above and in Article 5 below.



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*Article 5 - Procedures of the General Authority of Customs towards Legal Entities*

When a legal entity sends or receives money, currency, or bearer negotiable instruments, the General Authority of Customs representative shall, after ensuring that the customs procedures have been duly completed, verify that the legal entity has a permit issued by the Central Bank of Iraq approving the sending or receiving of currency or bearer negotiable instruments.

The General Authority of Customs representative must also verify that the quantity and type of currency or bearer negotiable instruments conform to the declaration submitted by the legal entity, in the presence of its legal representative or authorized signatory, etc. In the event of non-conformity, the funds, currency, or bearer negotiable instruments to be sent or received must be seized, and a seizure report must be drawn up. The General Authority of Customs representative must also, in cases he deems appropriate, verify that the funds are free of counterfeiting. If counterfeiting is confirmed, the General Authority of Customs must notify the Anti-Money Laundering and Terrorism Financing Office and the judicial authorities to take appropriate legal action.

*Article 6 - False Declaration*

When a representative of the General Authority of Customs verifies that a natural or legal person has provided false information about the value of the funds, currencies, or bearer negotiable instruments in their possession or intended to be transported, or has provided incorrect information to a representative of the General Authority of Customs as stated in Articles 4 and 5 above, the following measures must be taken:

1. Seize the funds, currencies, or bearer negotiable instruments.
2. Prepare a seizure report of the incident.
3. Request additional information from the natural person, the representative of the legal person, or their authorized representative regarding the source of the funds, currencies, or bearer negotiable instruments, the purpose of their transport, and the reason for the false declaration submitted to the representative of the General Authority of Customs.
4. Provide the Anti-Money Laundering and Terrorism Financing Office with the declaration forms and any information requested promptly through a designated secure channel.

*Article 7 - Suspicion of Money Laundering or Terrorist Financing*

In cases where a representative of the General Authority of Customs has sufficient evidence to suspect that funds, currencies, or bearer negotiable instruments transported across borders, both in and out, are the proceeds of a predicate offense, are linked to, or are intended for, a money laundering or terrorist financing offense, he must take the following measures:

- 1- Seize the funds, currencies, or bearer negotiable instruments.
- 2- Prepare a report of the incident.
- 3- Request additional information about the source of the funds, the true purpose of their transfer, the intended uses, and other relevant information. Notify the Anti-Money Laundering and Terrorism Financing Office of the incident and promptly provide it with any information requested through a designated secure channel.



#### Article 8 - Preservation and Storage of Information and Data

First: The General Authority of Customs must establish electronic databases that record all declarations made at the customs office and all cases in which the traveler failed to submit the required declaration, pursuant to the provisions of Anti-Money Laundering and Terrorism Financing Law No. 39 of 2015 and the instructions issued pursuant thereto. These records, declaration forms, and documents must be retained for a period of five years or more, depending on the nature of the case. They must be electronically archived and made available upon request by the relevant authorities (the Anti-Money Laundering and Terrorism Financing Office and the judicial authorities).

Second: Information must be securely stored to ensure the proper use of the information collected through the provisions of Articles 3, 4, 5, 6, and 7 above.

Third: Employees of the General Authority of Customs must maintain the confidentiality of the information they obtain within the scope of their work, even after the end of their service. They may not use the information they obtain by virtue of carrying out the tasks assigned to them. Under these instructions, except for the purposes stipulated in the Anti-Money Laundering and Counter-Terrorism Financing Law, anyone who violates the confidentiality of information shall be subject to the penalties stipulated in the State and Public Sector Employees Discipline Law No. 14 of 1991.

#### Article 9 - Exchange of Information

First: The General Authority of Customs shall make declaration forms, information, and related documents available to the Anti-Money Laundering and Counter-Terrorism Financing Office. This shall apply to all declaration cases, including declarations involving false declarations and suspicious cross-border transportation cases, as referred to in Article 7 above.

Second: the General Authority of Customs shall exchange information regarding the value of declared or disclosed funds, currencies, bearer negotiable instruments, precious metals, or gemstones, after verifying the validity of the declaration and the identity of their holders with the competent local authorities. It shall also coordinate with the Central Bank of Iraq to verify the integrity of funds, currencies, or instruments being transported across borders, both inbound and outbound, to verify their integrity or detect cases of counterfeiting. It shall also exchange information with customs authorities in other countries, if necessary, to ensure that the declared information matches that declared abroad, both inbound and outbound, and any other information.

#### Article 10 - Powers

First: Customs authorities have the power to search persons and inspect their luggage to verify the accuracy of the information declared when verifying a false declaration, a refusal to declare, or suspicion that the funds being transported are illicit. This power shall apply in the cases mentioned in Articles 4, 5, 6, and 7 above.

Second: The General Authority of Customs has the power to seize funds, currencies, and bearer negotiable instruments in the event of failure to declare them or providing any false information about them, or in the event of sufficient evidence to suspect that they are the proceeds of a predicate offense or are related to a money laundering or terrorist financing crime. This power shall apply in the cases mentioned in Articles 4, 5, 6, and 7 above.



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Third: The Anti-Money Laundering and Terrorism Financing Office has the power to issue a recommendation to lift the seizure of the seized items stipulated in these instructions if there are supporting evidence confirming the integrity of the seized items, or to refer them to the judiciary based on the above law, from the date of notification. The Authority shall be notified. The General Assembly thereof.

### Article 11 - Final Provisions

First: It is prohibited to bring in or take out amounts exceeding (20,000) USD (twenty thousand USD) or its equivalent in other currencies. The entry or exit of such amounts shall be carried out exclusively through financial institutions.

Second: It is prohibited to bring in or take out amounts exceeding (1,000,000) Iraqi dinars (one million Iraqi dinars), even if declared. The amount shall be seized, and legal action shall be taken against the money carrier or the person in whose possession the funds were found.

Third: Regulation No. (1) of 2017, amended by Regulation No. (1) of 2019, regarding the declaration of funds when entering or leaving Iraq across its borders, shall be repealed and replaced by the current instructions, which shall take effect 30 days after the date of publication in the Official Gazette.



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