

Announcement

The Ministry of Industry and Minerals has the pleasure to announce its Investment Program for the year 2009 and invites Investors, International Specialized Companies and Financers to participate in this Investment opportunity to rehabilitate and modernize some of its plants on partnership basis in Management and Production to increase the production capacity.

List of State companies' factories announced for rehabilitation Construction Sector

1. State Company for Northern Cement
 - a. Badoosh Cement Factory
 - b. Hammam Al Alil Cement Factory
2. State Company for Construction Industries
 - a. Plastic Pipes Factory/ Baghdad
 - b. Plastic Pipes Factory/ Misan

Engineering Sector

1. State Company for Engineering Industries
 - a. Aluminum Factory
 - b. Cable Factory
2. State Company for Electrical Industry
3. Al Zawraa Company

Chemical & Petr. Sector

1. Al Furat State Company for Chemical Industries
 - a. Starch & Dextrin Factory
2. Thar Al-Sawary State Company for Chemical Industries
 - a. Rock Wool Factory
 - b. Piper Glass Factory
3. Abu AL-Khaseeb Fertilizer Factory
4. State company for Petrochemical Factories

Food and Drug Sector

- 1- State company for Tobaccos and Cigarettes
 - a. Baghdad Factory
 - b. Al Nasir Factory
- 2- State Company for Drugs & Medical Supplies Industry/ Samarra
- 3- State company for Dairy products
 - a. Abu Graib factory
- 4- State Company for Vegetable Oils Industries
 - a. Baghdad Factories
 - b. Al Mua'ataseem Factory

Textile Sector

- 1- State Company for Woolen Industries Factories
- 2- State Company for Leather Industries Factories

Investors are invited to participate in this valuable opportunity due to the need of the products of these plants to fulfill the high local market demand.

Investors are requested to contact Investment Department at the Ministry of Industry and Minerals (Head Office) to obtain a copy of the Investment File against a sum of ID. 150,000 (one hundred fifty thousand Iraqi Dinar) not refundable for each plant. In addition the Ministry is ready to assist the Investors with additional detailed information and take necessary arrangements to facilitate visiting the factory. The Ministry would like to draw the investor's attention that offers should be submitted in accordance to the terms and conditions stated in the

Investment File. Concentration will be on the financial, Technical modernizing capability stated in the submitted offers.

Proposals should be submitted not later than the end of working hours of Thursday, April 30, 2009.

You can visit our website www.Industry.gov.iq or may contact Investment Dept. / Ministry of Industry and Minerals for any additional information of the following address

Tel: 00964 1 8166040

Mobile: 00964 7901 371 867

E-mail: invest@industry.gov.iq

dev_invest07@yahoo.com

Ministry of Industry and Minerals / Investment Department.

Nidhal Street

Baghdad - Iraq

MINISTRY OF TRADE
STATE CO. FOR FOODSTUFF TRADING
BAGHDAD - IRAQ

E-mail: foodstuff@iraqsfsc.com

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SUGAR TENDER INVITATION NO. 2 / 2009
CASH PAYMENT BASIS
WITHOUT LC

1. PRICE PER TON: USD () PER NET METRIC TON

A. EITHER: - (CIF) COST INSURANCE AND FREIGHT FREE OMT UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS ONLY.

B- OR: - (CIP) " DELIVERED TO PURCHASER'S WAREHOUSES IN ALL IRAQI GOVERNARATES THROUGH UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS ONLY".
ACCORDING TO THE DISTRIBUTION PLAN MADE BY BUYER (SELLER HAS NO RIGHT TO REFUSE OR AMEND BUYER'S DISTRIBUTION PLAN).
(FINAL DESTINATION IS SELLER'S OPTION)

2. TOTAL VALUE: (USD)

3- PAYMENT:

A- (CIF) UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS.

100% CASH PAYMENT PAYABLE AFTER ARRIVAL OF GOODS TO FINAL DESTINATION (UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS) ACCORDING TO CERTIFICATE FROM MOT/SCF LABORATORY TO CONFIRM THAT GOODS ARE FIT FOR HUMAN CONSUMPTION AND COMPLIED TO AGREED SPECIFICATIONS, AND AFTER ISSUANCE OF PORT REPORT BY MOT/SCF IN (UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS) TO SHOW ACTUAL DELIVERED QUANTITIES.

B- (CIP) BUYER'S WAREHOUSES:-

100% CASH PAYMENT PAYABLE AFTER ARRIVAL OF GOODS TO FINAL DESTINATION (BUYER'S WAREHOUSES) ACCORDING TO MOT/SCF WAREHOUSES DELIVERY RECEIPTS AND CERTIFICATE FROM MOT/SCF LABORATORY TO CONFIRM THAT GOODS ARE FIT FOR HUMAN CONSUMPTION AND COMPLIED TO AGREED SPECIFICATIONS.

* SELLER SHOULD SUBMIT AND BUYER ACCEPTING 5% PERFORMANCE BOND TO COVER OBLIGATIONS AGAINST CONTRACT TERMS AND CONDITIONS WITHIN 15 DAYS FROM THE DATE OF BOOKING QUANTITY IN ORDER TO SIGN THIS CONTRACT. OTHERWISE THIS CONTRACT WILL BE CONSIDERED NULL AND VOID AND THE BOND WILL BE CONFISCATED. AND OUR COMPANY IS NOT OBLIGED TO RECEIVE ANY QUANTITY AND HAS THE RIGHT TO REJECT QUANTITIES SUPPLIED BY SELLER BEFORE SUBMITTING P.D. AND THE SELLER HAS NO RIGHT TO OBJECT.

4 - QUANTITY & SPECIFICATIONS:

A - QUANTITY: 25000 NET METRIC TONS 10% PCT MORE OR LESS SELLER'S OPTION. (ADDITIONAL QUANTITIES BUYER'S OPTION).

B - SPECIFICATIONS: WHITE REFINED AND/OR CRYSTAL (FINE, MEDIUM, GRAINS) SUGAR.
THE PRODUCT MUST BE CLEAN, FREE FROM: IMPURITIES, FOREIGN MATERIAL, PEST, OR INSECT PARTS AND FREE FROM STAIN, SMELL, STRONG TASTE.

- THE PRODUCT MUST BE NO DAMAGE (INCLUDING CAKED SUGAR)
- THE PRODUCT MUST BE FIT FOR HUMAN CONSUMPTION AND CONSUMED LOCALLY IN COUNTRY OF ORIGIN.
- THE SIZE OF CRYSTALS MUST BE IN STANDARD SIZE OF (0.12 - 1.700) MM

CHEMICAL ANALYSIS

1 - MAX. COLOUR ICUMSA	.....	60 DEGREES
2 - MIN. POLARIZATION	.....	99.7 DEGREES
3 - MAX. MOISTURE	.....	0.1 %
4 - MAX. ASH CONTENTS	.....	0.03 %
5 - MAX. NO2	.....	20 P.P.M
6 - MAX. INVERT SUGAR	.....	0.04 %
7 - PH	.....	6.8 - 7.2

CONTAMINATION

MAX. AS	.....	1 P.P.M
MAX. PB	.....	2 P.P.M
MAX. CU	.....	3 P.P.M

NOX PATHOLOGIC BACTERIA

RADIATION CONCENTRATE RESIDUE TO BE WITHIN THE LOCAL LIMIT OF (240 - 280) HQ PER KGM

LABELING (PRINTED)

- A - PRODUCTS NAME AND TRADE MARK
- B - NET WEIGHT IN INTERNATIONAL UNIT (TON)
- C - PRODUCING DATE
- D - MANUFACTURE COUNTRY

PACKING

IN NEW UNIFIED JUTE OR POLYPROPYLENE BAGS LINE WITH POLYETHYLENE OF (50 KGS) NET (M/L 50 KGS NOT ACCEPTABLE)

5 - DOCUMENTS REQUIRED FOR PAYMENT:

- A - DELIVERY WAREHOUSES RECEIPTS (IN CASE FINAL DESTINATION AS CIP BUYER'S WAREHOUSE)
- B - CERTIFICATE ISSUED BY THE LAB OF STATE COMPANY FOR FOODSTUFF TRADING CONFIRMING THAT GOODS ARE FIT FOR HUMAN CONSUMPTION AND COMPLIED TO AGREED SPECIFICATIONS.

- C - RATIFIED CERTIFICATE OF ORIGIN .
- D - ORIGINAL CERTIFICATE BY INDEPENDENT SURVEYOR ACCEPTED BY THE MOT CONFIRMING FITNESS OF GOODS TO CONTRACTUAL SPECIFICATIONS AND CONDITIONS AT PORT OF SHIPMENT .
- E - MANIFEST OF AGREED QUANTITY RATIFIED BY IRAQI ENTRY POINT .
(IN CASE FINAL DESTINATION AS CIP BUYER'S WAREHOUSES)
- 6 - ORIGIN OF GOODS : BRAZIL, EMIRATES, EUROPE, THAILAND, ARGENTINA
(ORIGIN OF GOODS TO BE SPECIFY IN THE OFFER AND ANY CHANGE IN COUNTRY OF ORIGIN AFTER SIGNING THE CONTRACT WILL BE REJECTED).
- 7 - METHODS OF ANALYSIS :
ANALYSIS TO ENSURE COMPLIANCE WITH INTERNATIONAL SPECIFICATIONS WILL USE ANY OR ALL OF THE FOLLOWING PROCEDURES:
A. PEARSON
B. ICMNA
C. IRAQI STANDARD SPECIFICATION
- 8 - TESTING :
FINAL DECISION CONCERNING FITNESS OF GOODS WILL BE ACCORDING TO MOT / SCFT DECISION.
* IN CASE FINAL DESTINATION AS CIP BUYER'S WAREHOUSES, TESTS WILL BE CONDUCTED BY MOT / SCFT UPON ARRIVAL OF CARGO TO ITS FINAL DESTINATION (UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS) AND THEN TESTS WILL BE CONDUCTED AS FINAL AT BUYER'S WAREHOUSES.
- 9 - MARKING : THE FOLLOWING WILL BE CLEARLY MARKED ON EACH BAG :
WHITE CRYSTAL / REFINED SUGAR
GROSS AND NET WEIGHT
DATE OF PRODUCTION
COUNTRY OF ORIGIN
CODE OR FULL NAME OF PRODUCTION ENTERPRISE .
- 10 - DELIVERY PERIOD : DELIVERY MUST BE EFFECTED WITHIN (45 DAYS) FROM SIGNING THIS CONTRACT DATE (45 DAYS PER EACH 12500 TON) .
PARTIAL SHIPMENTS WILL BE ALLOWED .
- 11 - INSURANCE : SELLER'S RESPONSIBILITY UP TO FINAL DESTINATION .
- 12 - ENTRY POINT : UM QASR, KHOR ZUBAIR OR ABU FLOOS PORTS ONLY
(ENTRY POINT TO BE PLAINLY SPECIFIED BY SELLER IN THE OFFER) .
- 13 - ROUTE OF SHIPMENT : BY VESSEL OR BY TRUCKS TO THE FINAL DESTINATION .

- 14 - BUYER HAS THE RIGHT TO REJECT ANY QUANTITY RECEIVED AND FOUND NOT COMPLIANCE WITH AGREED SPECIFICATIONS, AND THE SELLER SHOULD LIKE THE SAID QUANTITY FROM BUYER'S WAREHOUSE WITHIN (10 DAYS) FROM THE DATE OF LABORATORY CERTIFICATE ISSUED BY BUYER, OTHERWISE BUYER HAS THE RIGHT TO DAMAGE NON COMPLIED QUANTITY WITHIN ONE WEEK AFTER (THE DURATION OF TEN DAYS SAID ABOVE) WITHOUT A PRIOR - JUDICIAL NOTIFICATION AND WARNING THE SELLER. ALL CHARGES REGARDING WITH LIFTING AND DAMAGING REJECTED QUANTITIES ON SELLER'S ACCOUNT (INCLUDED CHARGES OF STORAGE, LOADING, UNLOADING AND ANY ADMINISTRATIVE COSTS). (IN CASE FINAL DESTINATION AS CIP BUYER'S WAREHOUSES)
- 15 - THE BUYER HAS THE RIGHT TO CONFISCATE AND DAMAGE ANY QUANTITY FOUND NOT FIT FOR HUMAN AND ANIMAL CONSUMPTION AFTER (10 DAYS) FROM THE DATE OF LABORATORY CERTIFICATE ISSUED BY BUYER WITHOUT A PRIOR - JUDICIAL NOTIFICATION AND WARNING THE SELLER.
- SELLER HAS THE RIGHT TO RE-ANALYSIS REJECTED QUANTITY BY THIRD PARTY IN IRAQ ACCREDABLE TO BUYER AND SELLER WHEN SELLER SUBMIT AN OBJECTION TO BUYER'S LABORATORY CERTIFICATE RESULTS WITHIN THE DURATION OF (THE 10 DAYS) MENTIONED ABOVE.
- THE THIRD PARTY SHOULD OFFERD THE RE-ANALYSIS RESULTS WITHIN TEN DAYS FROM THE DATED OF SELLER'S OBJECTION.
- IF RE-ANALYSIS RESULTS OF THIRD PARTY APPEAR COMPLIED WITH BUYER'S LABORATORY CERTIFICATE APPROVED NON - FITNESS, THEN BUYER HAS THE RIGHT TO DAMAGE THE REJECTED QUANTITY IMMEDIATELY WITHOUT A PRIOR - JUDICIAL NOTIFICATION AND WARNING THE SELLER. (IN CASE FINAL DESTINATION AS CIP BUYER'S WAREHOUSES)
- 16 - THE BUYER HAS THE RIGHT TO CLAIM THE SELLER THE COMPENSATION OF ALL KIND OF DAMAGES (INCLUDED LUMPISH SUGAR) APPEARED LATER ON, EVEN, AFTER INSPECTION CONFIRMED GOODS ARE FIT FOR HUMAN CONSUMPTION AND COMPLIED TO AGREED SPECIFICATIONS. BUYER, AS WELL, AS HAS RIGHT TO CONFISCATE ANY ADDITIONAL QUANTITY EXCEED THE AGREED QUANTITY MENTIONED IN ARTICLE NO. 4A OF THIS AGREEMENT.
- 17 - SHIPMENTS OF MANY CARGOES RELATED TO MORE THAN ONE SUPPLIER ARE NOT ACCEPTABLE. DIFFERENT ITEMS BELONG TO THE SAME SUPPLIER LOADED ON SAME VESSEL ARE NOT ACCEPTABLE TOO.
- 18 - SHIPMENT BY CONTAINER IS NOT ACCEPTABLE.
- 19 - SELLER WILL BE BLACKLISTED WHEN SUPPLYING NOT FIT FOR HUMAN CONSUMPTION ANY QUANTITY FOUND AND BUYER WILL STOP DEALING WITH SELLER WHEN SELLER TWICE - SUPPLIED QUANTITY FOUND NOT COMPLIED THE DEPENDABLE SPECIFICATION.
- 20 - PENALTY CLAUSE:
IF THE COMMODITIES ARE NOT SHIPPED WITHIN THE AGREED UPON PERIOD, THE SELLER WILL PAY TO THE BUYER A PENALTY PER DAY OF DELAY CALCULATED AS FOLLOWS: (IN CASE BUYER AGREED TO EXTEND DELIVERY PERIOD)
$$\frac{\text{CONTRACT VALUE}}{\text{CONTRACT DURATION}} \times 10\%$$

- * MAX. PENALTY AMOUNT SHOULD NOT EXCEED 10% OF THIS AGREEMENT VALUE.
- * SUCH PENALTY WILL BE DEDUCTED FROM VALUE OF EACH QUANTITY DELIVERED WITHIN AGREED PERIOD, IN ADDITION THAT BUYER HAS THE RIGHT TO DEDUCT THE PENALTY AMOUNT FROM THE PERFORMANCE BOND.

21 - PERFORMANCE BOND :

AFTER BOOKING QUANTITY THE SELLER WILL BE REQUIRED TO SUBMIT A PERFORMANCE BOND OF 5% (FIVE PERCENT) OF THE AGREED QUANTITY VALUE, (ACCORDING TO THE TEXT OF "TRI" THROUGH WHICH P.D. WILL BE ISSUED WITHIN FIFTEEN DAYS AFTER BOOKING QUANTITY AND BUYER WILL NOT BE OBLIGED WITH ANY CHARGES OF ISSUING AM P.D. IN CASE OF DISOPERATING AGREEMENT BY HIM DUE TO ANY OBSTACLE MAY TAKE PLACE ON TIME). THE PERFORMANCE BOND REMAINS VALID UNTIL COMPLETION OF THE CONTRACT, AND DELIVERING THE AGREED QUANTITY TO THE AGREED FINAL DESTINATION AND THE CONFORMITY OF GOODS TO BUYER SPECIFICATION. MOT/SCF MAY ASK TO PROLONG ITS VALIDITY FOR FURTHER PERIOD IF NEEDED. IF THE SELLER FAIL TO FULFILL HIS AGREED OBLIGATIONS REGARDING QUANTITY AND/OR QUALITY IN FULL OR IN PART, MOT/SCF AT ITS OWN DISCRETION WILL COLLECT THE FULL AMOUNT, OR PART OF THE PERFORMANCE BOND. THE PERFORMANCE BOND WILL BE RETURNED TO THE SUPPLIER ON FULL AND SATISFACTORY HOWEVER, THE SELLER WILL BE REQUIRED TO SUBMIT A FORMAL REQUEST FOR THE RELEASE OF PERFORMANCE BOND TO MOT/SCF.

22 - APPLICABLE LAW AND ARBITRATION :

ANY DISPUTE ARISES BETWEEN SELLER AND BUYER CONCERNING THEIR OBLIGATIONS, ALL ATTEMPTS TO SOLVE THE DISPUTES OR SUITS AMICABLY SHOULD BE TAKEN. OTHERWISE, SUITS WILL BE CONSIDERED AND SETTLED BY THE CONCERNED IRAQI COURTS AFFILIATED TO MINISTRY OF JUSTICE IN THE PLACE OF DISPUTE.

23 - THE AGREEMENT OR ANY INTEREST THEREIN, SHALL NOT BE ASSIGNED BY EITHER PARTY.

24 - IN CASE THE SELLER (SUPPLIER) FAILED TO FULFILL DELIVERY WITHIN THE AGREED PERIOD, THE BUYER HAS THE CHOICE TO CANCEL THE AGREEMENT WITHOUT PREVIOUS NOTICE AND CHARGES WILL BE ON SELLER ACCOUNT AND THE BUYER HAS THE RIGHT TO CONFISCATE THE P.D. (IN WHOLE OR A PART) IN CASE OF FAILURE AND ACCORDING TO THE RATE OF DAMAGE EXPOSED TO BUYER.

25 - PRICE AND ALL OTHER TERMS AND CONDITIONS WILL REMAIN AS PER THIS AGREEMENT UNTIL FINANCE MADE AVAILABLE TO COVER THIS AGREEMENT.

26 - ALL VERBAL AND WRITTEN COMMUNICATIONS PRIOR TO SIGNING OF THIS AGREEMENT ARE NULL AND VOID.

27 - BUYER HAS THE RIGHT TO KEEP (NOT PAID) AMOUNT EQUAL (1.5%) OF GOODS VALUE AS A TASK DEPOSIT AND THIS AMOUNT WILL NOT BE PAID TO THE SELLER UNTILL SELLER'S ACCOUNT BE FINALLY SETTLED WITH BUYER AND HE SUBMITS ACCOUNTABLE CERTIFICATE (CONFIRMATION LETTER) FROM THE (STATE BOARD FOR TAXES) OR ITS BRANCHES IN IRAQ CONCERNING FULFILLMENT ALL CONDITIONS. SELLER HAS NO RIGHT TO OBJECT THIS PROCEDURE AT ALL.

28- SELLER HAS TO PAY STAMP DUTY AMOUNT EQUAL (0.003) FROM THE TOTAL VALUE OF THE AGREED QUANTITY IN THIS AGREEMENT. THE SELLER ALSO HAS TO PAY ALL OTHER DUTIES AND TAXES COULD BE IMPOSED BY IRAQI LAW.

29- DEBTS ARRANGED ON SELLER CONCERNING THIS AGREEMENT WILL BE OBTAINING ACCORDING TO THE IRAQI GOVERNMENTAL DEBTS COLLECTING LAW NO. 56/1977 OR BY ANY OTHER IRAQI SUBSTITUTE LAW.

30 ALL COSTS AND EXPENSES ARRANGED ON ANALYSIS AND INSPECTION OF AGREED QUANTITY ARE SELLER'S ACCOUNT.