

TRADE OPPORTUNITIES BETWEEN **PAKISTAN** AND **IRAQ**



SUPERIOR UNIVERSITY

INDUSTRIAL BRIEF



Office of Research, Innovation & Commercialization

INTRODUCTION

This brief has been prepared by the Office of Research, Innovation and Commercialization (ORIC) of The Superior University Lahore under its collaboration with the Gujranwala Chamber of Commerce and Industry (GCCCI). The research centric collaboration between the two entities is a positive step towards strengthening industry academia linkages for building sound structures of knowledge economy.

Economic Growth of Pakistan in FY2021 rebounded to 3.5% after contracting by 0.5% in FY2020 with the onset of the global pandemic.

On the other side, the Fiscal Deficit improved to 7.3% of GDP, and the current account deficit is reduced to 0.6% of the GDP. Pakistan can sustain its long-run economic growth through a massive increase in private investment and exports.

The major exports of Pakistan are Cotton, Apparel Knit, Apparel Non-Knit, Cereals, Leather Products, Sea Food, Precision Instruments, Natural minerals, Stones, Fruits, and Nuts, Oil & Minerals Fuels, Plastics, Copper, Sugar and Confectionery, toys & Sports Equipment.



OVERALL ECONOMIC GROWTH OF IRAQ



The overall Economic Growth in Iraq for 2021 was 7.2% compared to -4.7 in 2020. Iraqi Government expects a significant increase in overall economic growth due to an increase in oil prices, up to 3% on average, between 2021-23. The major imports of Iraq are consumer goods and capital inputs, and the major exporting sectors of Iraq are Crude Oil, Gold, and Petroleum Oils.

TRADE AGREEMENTS BETWEEN IRAQ AND PAKISTAN

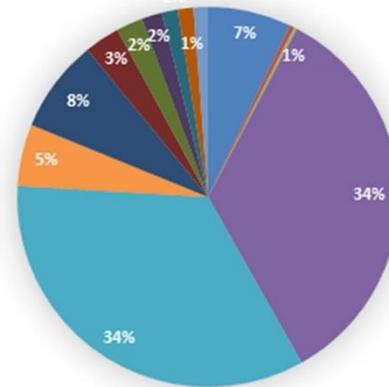


- There are no bilateral state level trade agreements between Iraq and Pakistan. However, trade between the two countries does take place at the enterprise level.



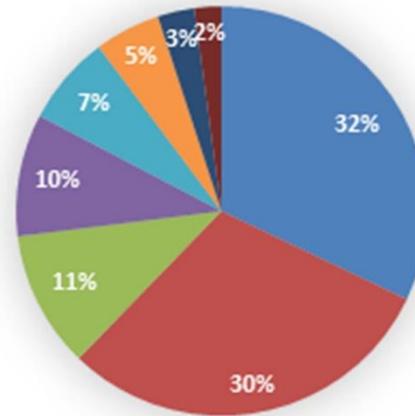
Major Export's commodities of Iraq are:

1. Crude Petroleum (\$73.8B0)
2. Refined Petroleum (\$4.29B)
3. Gold (\$2.54B)
4. Tropical Fruits (\$358M)
5. Petroleum Coke (\$357M)
6. Minerals Fuels (\$55B)
7. Fruits and Nuts (\$82.9M)
8. Iron, Steel (\$31.6M)
9. Ships, Boats (23.5M)
10. Lead(\$18.2M)
11. Chemical Goods (\$18.2M)



Major Export Partners of Iraq are:

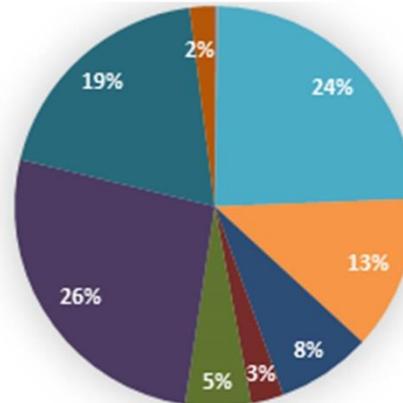
1. China (\$21.1B)
2. India (\$19.8B)
3. South Korea (\$7.1B)
4. United States (\$6.36B)
5. Italy (\$4.67B)
6. Greece (\$3.4B)
7. Netherland (\$1.9B)
8. Taiwan (\$1.4B)



■ China ■ India ■ South Korea ■ United States ■ Italy ■ Greece ■ Netherlands ■ Taiwan

Major Import Commodities of Iraq are:

1. Refined Petroleum (\$3.25B)
2. Cars (\$2.25B)
3. Jewelry (\$2.51B)
4. Rolled Tobacco (\$1.28B)
5. Rice (\$857M)
6. backed Goods (\$1.28M)
7. Delivery Truck (\$782M)
8. Specialized Vehicles (\$247M)
9. Flavored water (85.5M)
10. Electric Generating Sets(\$171M)
12. Other Furniture 623M)
13. Leather Footwear (65.3M)



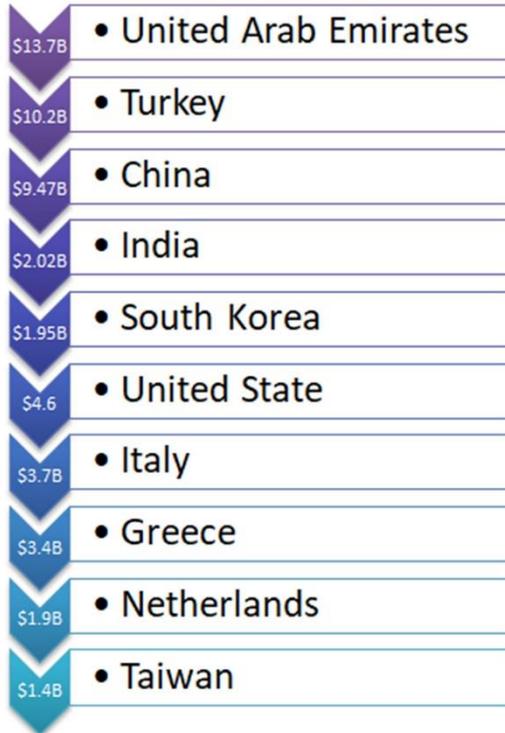
■ Refined Petroleum
■ Jewellery
■ Specialized Vehicles
■ Rice

■ Cars
■ Delivery Truck
■ Flavoured Water
■ Other Furniture

■ Rolled Tobacco
■ Backed Goods
■ Electric Generating
■ Leather Footwear

Major Import Partners of Iraq are:

1. UAE (\$13.7B)
2. Turkey (\$10.2B)
3. China (\$9.47B)
4. India (\$2.02B)
5. South Korea (\$1.95B)
6. United State (\$4.6)
7. Italy (\$3.7B)
8. Greece (\$3.4B)
9. Netherlands (\$1.9B)
10. Taiwan (\$1.4B)





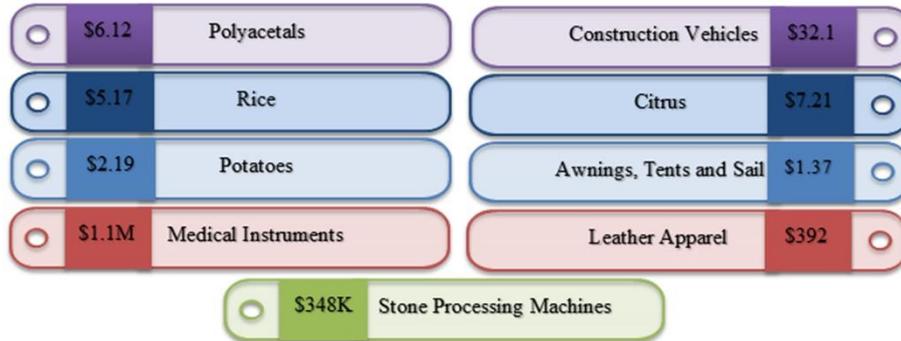
Matching commodities of Trade between Iraq and GCC:

Rice, Wheat, Edible Fruits, Nuts, Peel of Citrus Fruits, Stone Plaster, Textile articles, Sets, Worn Clothing, Plastic Products, Sugar and Sugar infectionery, Cereals, Flour, Starch, Milk Preparations & Products, Oil Seeds, Oleagic Fruits, Grains, Seed, Fruits, Vegetables, Nuts Food Preparations, Minerals Fuels, Oils, Distillation Products, Glass & Glassware, Soaps, Lubricants, Waxes, Candles, Modeling Parts, Milling Products, Malt, Starches, Wheat Glutter, Electrical & Electrical Equipment, and Ceramic Products.



NET TRADE VOLUME BETWEEN PAKISTAN AND IRAQ DURING 2019:

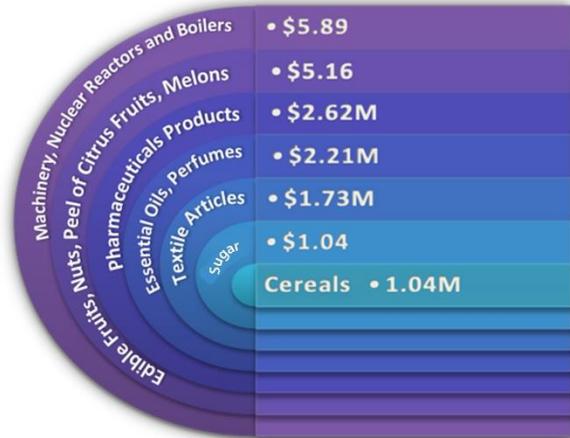
In 2019 Pakistan exported the products worth \$66.2M to Iraq. The main products exported from Pakistan to Iraq were





NET TRADE VOLUME BETWEEN PAKISTAN AND IRAQ DURING 2020:

In 2020, Pakistan's exports to Iraq were valued at \$26.1M. Major commodities exported during this year were:





NET TRADE VOLUME BETWEEN PAKISTAN AND IRAQ DURING 2021:

In 2021, major commodities exported from Pakistan to Iraq were:



MAJOR BUSINESS SECTORS IN GUJRANWALA:

Sr. No.	Company Name	Sr. No.	Company Name
1	Agriculture	9	Home Appliances
2	Automobiles	10	Leather
3	Ceramics & Pottery	11	Packaging
4	Cutlery	12	Plastic Products
5	Electric Goods	13	Rice Mills
6	Engineering	14	Sanitary Fitting & Sanitary Wares
7	Furniture	15	Soaps, Oils Ghee & other Edibles
8	Hardware	16	Textiles



RECOMMENDATIONS

- GCCI may pay greater attention to the main potential areas of bilateral trade between Iraq and Pakistan by increasing volume of existing trade.
- GCCI may focus on major export commodities of China and India to Iraq, such as Rice, Wheat, Leather goods, Air Pumps, Furniture, Unglazed Ceramics, Plastic Lids, Bathroom Ceramics, Electrical Batteries, Electrical Control boards, Liquid Pumps, Plastic Floor Covering, and so on, which directly match with GCCI major business sectors.
- Major import partners of Iraq are United Arab Emirates (\$13.7B), India (\$15.74B), and China (\$15.7B), and the matching commodities of trade with GCCI are rice, wheat, liquid Pumps, Rubber Tires, Plastic Lids, Other Furniture, Sports equipment, Wheat Flours, Knit Sweaters, Non-Knit women Suits and Medical furniture, etc. so GCCI may focus on these areas to expand its business interests.
- GCCI may concentrate on ensuring the quality of products produced by its member companies through securing international certifications.
- In order to gain gradual access to a bigger market, it is suggested that GCCI targets trading firms and SMEs of Iraq in the initial stage.





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