

## **COALITION PROVISIONAL AUTHORITY ORDER NUMBER 20**

### **TRADE BANK OF IRAQ**

*Pursuant* to my authority as Administrator of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant U.N. Security Council resolutions, including Resolution 1483 (2003),

*Noting* the letter of May 8, 2003, from Permanent Representatives of the United States of America and the United Kingdom of Great Britain and Northern Ireland to the President of the United Nations Security Council (S/2003/538),

*Underscoring* the requirement that the Development Fund for Iraq (DFI) must be used in a transparent manner to meet the humanitarian needs of the Iraqi people, for the economic reconstruction and repair of Iraq's infrastructure, for the continued disarmament of Iraq, and for the costs of Iraqi civilian administration, and for other purposes benefiting the people of Iraq,

*Reaffirming* the commitment of the CPA to using effectively the resources of the DFI for the aforementioned purposes,

*Noting* that Iraq currently lacks financial institutions capable of facilitating imports and exports of goods and services to and from Iraq,

*Noting* the importance of economic trade to revitalizing the Iraqi economy, stimulating economic growth and providing employment for the Iraqi population in order to provide for sustainable development,

I hereby promulgate the following:

#### **Section 1 Establishment**

There is hereby established an institution to be known as the Trade Bank of Iraq (TBI). The TBI shall be an independent governmental entity, and is hereby authorized to perform such activities as are necessary to accomplish its purposes, consistent with the Charter of the TBI.

#### **Section 2 Purpose**

The TBI shall provide financial and related services to facilitate the importation and exportation of goods and services to and from Iraq in order to benefit the

economy of Iraq. The Administrator may promulgate additional regulations, orders, memoranda or other documentation that further define the purpose of the DFI.

### **Section 3 President, Charter and Board of Directors**

The Administrator shall appoint a President of the TBI. The President shall be the chief executive officer of the TBI. The President, with concurrence of the CPA Director, Economic Development, shall issue a Charter for the TBI, effective upon issuance, which will specify, among other things, the functions, powers, financial structure, governance, and reporting requirements of the TBI. The Charter for the TBI shall establish a Board of Directors for the purpose of governing the activities of the TBI.

### **Section 4 Initial Capitalization**

The authorized capital of the TBI is \$100,000,000. The Administrator may provide initial paid-in capital for the TBI from the DFI, in an amount not to exceed \$5,000,000. The remaining \$95,000,000 will exist as callable capital only in the event the TBI is unable to meet its current obligations. The Administrator may provide any required callable capital from the DFI.

### **Section 5 Contractual and Other Authorizations**

In general, the President, on behalf of the TBI, is authorized to hire and pay the salaries of staff, procure goods and services, and enter into contracts and engage in such other acts as may be necessary or advisable to conduct the business of the TBI. In particular, the President, on behalf of the TBI, is authorized to enter into a short-term contract with an Operating Consortium of financial institutions from various countries selected by the Administrator. Under this contract, the members of the Operating Consortium shall provide, for a limited period of time, training, operational and technical support to the TBI and such other support as the President may deem advisable and necessary, including but not limited to, advising, issuing and confirming letters of credit on behalf of the TBI.

### **Section 6 Distribution of Profits**

Profits generated by the operations of the TBI will be distributed to the DFI from time to time as determined by the President in consultation with the Administrator.

**Section 7**  
**Auditing and Review of Operations**

To ensure that the TBI is managed transparently and for the benefit of the Iraqi people, the President may obtain the services of an independent certified public accounting firm for the purposes of auditing and publicly reporting on the TBI's operations.

**Section 8**  
**Transition**

The TBI shall take appropriate steps to deal with issues relating to its operations that are associated with the assumption of government responsibilities by an internationally recognized representative government of Iraq in accordance with Resolution 1483.

**Section 9**  
**Entry into Force**

This Order shall enter into force on the date of signature.



L. Paul Bremer, Administrator  
Coalition Provisional Authority