

INDUSTRIAL INTELLIGENCE MEMORANDUM • PRIVATE & CONFIDENTIAL

THE 2026 IRAQI SQUARE-BOTTOM PAPER PACKAGING OPPORTUNITY

A capital deployment briefing on the Square-Bottom Kraft paper bag market ahead of Iraq's phased plastic shopping bag ban — beginning early November 2026 — built around the B-OSON Tera Pack BSQ-SERIE production line (BSQ-290 / BSQ-330 / BSQ-460).



1. EXECUTIVE MEMORANDUM

To: Iraqi industrial investors, factory owners, and enterprise commercial printers

Context: Current state of the market (mid-2026)

Core objective: Establish localized, heavy-duty square-bottom paper bag manufacturing capacity ahead of the November 2026 plastic bag transition.

THE TRANSITION IS NOW CONFIRMED AND UNDERWAY

On May 19, 2026, Iraq's Council of Ministers, under the government of Prime Minister **Ali al-Zaidi**, approved a phased ban on plastic shopping bags. The Ministry of Environment has since confirmed that enforcement begins **in early November 2026**. The measures end the free distribution of plastic shopping bags, halt their importation, and direct the market toward biodegradable and paper alternatives. Bags used for bread and samoon remain exempt, and the ban targets shopping bags specifically rather than all packaging and storage bags — but for the retail, grocery, and foodstuff sectors that rely on shopping bags at the point of sale, the runway to source a compliant replacement is short.

For hypermarkets, grocery chains, clothing retailers, and food millers, this is not a cosmetic packaging swap. Structural, stand-up, high-capacity bags are required to replace the plastic sacks currently used for heavy grocery and bulk foodstuff loads — and Square-Bottom Kraft paper bags are the direct structural equivalent. Whoever builds compliant, high-volume domestic capacity first is positioned to capture the resulting supply gap.

THE CUSTOMS BACKDROP: WHAT INVESTORS SHOULD ACTUALLY VERIFY

Iraq has separately been implementing a sweeping customs and tariff overhaul under **Cabinet Decision No. 957** (approved late October 2025, enforced from early 2026), which revised tariff brackets — ranging from roughly 0.5% up to 30% — across the national customs schedule of approximately 16,400 tariff line items. This is a broad national tariff modernization, not a bag-specific or paper-packaging-specific protectionist measure, and its practical bracket for any individual finished good or piece of capital machinery depends on its specific customs classification.

WHAT THIS MEANS FOR YOU

Do not assume a specific tariff rate for finished paper bags versus imported capital machinery without confirming the applicable HS classification with a licensed customs broker or the General Customs Authority. What is verifiable today is the underlying demand shock: a confirmed ban date, a short runway, and a structural product category (Kraft paper, stand-up base) that plastic bags cannot be swapped for on a shelf-by-shelf basis.

2. THE PRODUCTION ASSET: B-OSON TERA PACK BSQ-SERIE



B-OSON Tera Pack BSQ-SERIE — roll-fed square-bottom paper bag production line with in-line printing unit

HEAVY-DUTY SQUARE-BOTTOM ENGINEERING

The BSQ-SERIE is a fully adjustable, roll-fed system built for high-speed production of structural Square-Bottom Paper Bags. It takes raw or pre-printed paper rolls and handles heavy-gauge Kraft paper up to 150 gsm, producing stable, flat-bottom bags that stand upright independently — the standard supermarkets and premium commercial brands require at checkout and on shelf.

SINGLE-PASS AUTOMATION: RAW ROLL TO FINISHED BAG

Raw Paper Roll Input → Automated Side Gluing → High-Precision Tube Forming → Servo-Controlled Cutting → Bottom Impressing & Gluing → Square-Bottom Formation & Output

- **Fiber-optic motion control:** optical-fiber-networked control for fast, precise motion and structural process detection at production speed.
- **Servo-controlled registration:** high-torque servo motors with color tracking to hold cut registration on pre-printed material.
- **Adaptive cold-spray adhesive system:** automatically adjusts glue discharge to real-time line speed, reducing bleed and raw material waste.

3. STRATEGIC ADVANTAGE OF THE SQUARE-BOTTOM FORMAT

Investors targeting the 2026 packaging transition gain commercial leverage by focusing on the structural, square-bottom segment rather than lighter flat or V-bottom bags:

Payload Capacity	The Stand-Up Factor	Format Flexibility
Supports 60–150 gsm Kraft paper, enabling packaging suited to groceries, flour, sugar, and heavier retail goods.	Rigid, flat-bottom construction lets bags stand upright at checkout and on shelves — a practical requirement for fast-moving supermarket and hypermarket counters.	A bag-making width window of 120–460 mm and length range of 260–533 mm lets one line move between compact grocery pouches and large shopping sacks.

WHERE THIS FORMAT FITS

Three commercial segments are the most exposed to the plastic shopping bag transition and the most likely early buyers of square-bottom Kraft capacity:

- **Supermarket & hypermarket grocery sacks** — thick-gauge Kraft bags with structural side gussets and rigid bases, sized to replace large plastic grocery bags.
- **Industrial foodstuff & flour packaging** — heavier-gauge (up to 150 gsm) square-bottom bags for dry goods such as flour, rice, and sugar, serving mills and packaging plants.
- **Retail & boutique shopping bags** — wider-base, higher print-registration bags for apparel and general retail where presentation matters.



Square-bottom Kraft paper bag — BSQ-SERIE output format

4. TECHNICAL SPECIFICATIONS & MACHINERY MATRIX

Manufacturer-stated specifications for the three BSQ-SERIE configurations. Investors should confirm final figures against the current factory datasheet and factory acceptance test (FAT) documentation prior to order placement.

PARAMETER	BSQ-290	BSQ-330	BSQ-460
Bag width range	120-290 mm	140-330 mm	220-460 mm
Bag length range	260-533 mm	260-533 mm	260-533 mm
Bottom size dimensions	60-180 mm	60-180 mm	60-180 mm
Paper thickness capacity	60-150 gsm	60-150 gsm	60-150 gsm
Max. paper roll width	320-900 mm	320-900 mm	600-1300 mm
Max. paper roll diameter	1300 mm	1300 mm	1300 mm
Peak production speed	200 pcs/min	200 pcs/min	180 pcs/min
Total rated power	12 kW	12 kW	15 kW
Total machine weight	8,500 kg	9,000 kg	10,000 kg
Physical footprint (L×W×H)	9.2 × 2.5 × 1.8 m	9.2 × 2.6 × 1.8 m	9.2 × 3.0 × 1.8 m

PLATFORM SAFETY & HANDLING INTEGRATION

- **Material handling:** automated hydraulic lifting for heavy raw paper roll changeovers.
- **Tension management:** automatic tension control for smooth unwinding without tearing.
- **Risk mitigation:** integrated paper blockage detection with audible alarm to prevent internal mechanical damage.

5. INVESTMENT TRANSITION BLUEPRINT

A practical sequence for establishing factory footprint ahead of the November 2026 deadline:

1 Scale Calibration & Profiling

Assess target contract size. The BSQ-460 suits large-scale enterprise shopping bags; the BSQ-290/330 suit standard grocery and foodstuff formats.

2 Customs & Import Planning

Confirm the correct HS classification and applicable tariff bracket for capital machinery imports with a licensed customs broker before shipping — Iraq's current national tariff schedule spans brackets from roughly 0.5% to 30% depending on classification.

3 Operational Integration & Contract Lock

Deploy the roll-fed line, commission at rated output speed, and pursue supply agreements with grocery cooperatives and retail centers ahead of the compliance deadline.

6. WARRANTY & DEPLOYMENT NOTICE

CRITICAL OPERATIONAL NOTICE

B-OSON Tera Pack provides factory-level engineering certification and on-site deployment support for the Iraqi market. Procuring BSQ-SERIE equipment through unauthorized third-party brokers or unverified channels can affect access to factory-authorized calibration, local spare parts support, and manufacturer documentation. Complex square-bottom machinery sitting idle due to setup errors or missing components means lost time against a fixed compliance deadline.

SECURE YOUR BSQ-SERIE ALLOCATION

Contact B-OSON Tera Pack to discuss factory acceptance testing and installation timelines ahead of November 2026.

This document is a commercial and technical briefing prepared for prospective equipment buyers. It is not investment, legal, tax, or customs advice. Machine specifications reflect manufacturer-stated figures and should be confirmed against current datasheets. Iraqi regulatory details (plastic bag ban timeline, customs tariff brackets under Cabinet Decision No. 957) reflect publicly reported information as of July 2026 and are subject to change; readers should confirm current requirements with qualified legal and customs counsel before making capital commitments.