



COUNTRY PROFILE IRAQ

Arab Business Legislative Frameworks Iraq Profile



Shared Prosperity Dignified Life





Shared Prosperity **Dignified Life**



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Economic and Social Commission for Western Asia

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Country Profile

IRAQ



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Summary



The Republic of Iraq was formed after the United States-led invasion and occupation toppled the previous government in 2003. Iraq has a legal system that is still forming, composed of a mix of laws that existed prior to the invasion (inspired by Egyptian and French systems) and laws created by the occupying Coalition Provisional Authority. Iraq is considered a civil law country with a constitution, while certain aspects of personal status are handled in religious courts. Iraq is still experiencing political, social and economic instability since the invasion.

Competition



- Iraq established a **LAW IN 2010** that explicitly **governs competition**, known as **Law No. 14 on Competition and Monopoly Prevention**;
- Iraq is a **LEADER IN THE MASHREQ SUB-REGION** for having clear and **concise definitions** in relation to **competition**;
- Even though Iraq has very strong legislation, **IT HAS YET TO FORM** and empower **a competition authority** to comprehensively **implement its legislations**.

Foreign Direct Investment



- Iraq established **LAW NO. 13 OF 2006** that **amended** and **updated** its **Investment Law**. The Republic also **updated** its **Company Law with Law No. 21 of 2004**;
- To that effect, Iraq has a developed **FDI LEGISLATION SYSTEM**, which includes **legislations, enforcement processes**, and **institutions to approve, assess and control foreign investments** into the country;
- Iraq **RESTRICTS FDI IN CERTAIN SECTORS**, particularly the **transportation and finance sectors**.



Anti-Corruption



- Iraq's **MAIN ANTI-CORRUPTION LEGISLATION** is the **Accountability Act, Law No. 10 of 2008**. Other forms of corruption and criminal behaviour are covered in **Law No. 39 of 2015 on Anti-Money Laundering and Countering Terrorism**, and the **Iraqi Criminal Procedure Code**, among others. Moreover, **Law No. 30 of 2011** establishes an **Integrity Committee to monitor and assess the laws**;
- Yet, the Iraqi Government has **NOT BEEN ABLE TO EFFECTIVELY IMPLEMENT THE LEGISLATION** due to **internal conflicts** on responsibilities, **poor transparency, unclear regulatory processes** and **weak investigatory powers**;
- Exemptions undermine **IRAQ LEGISLATIVE CAPABILITIES**, particularly in **tackling corruption**. For example, Iraq's **public procurement standards** contain **exemptions for entities** linked to the **Government** and **senior officials**, and articles within the Iraqi Criminal Code allow ministers to **exempt ministry officials** from workplace accountability.

Consumer Protection



- Iraq has **TWO LAWS RELATED TO CONSUMER PROTECTION**: **Law No. 1 of 2010 on Consumer Protection** and **Law No. 14 of 2010 on Competition and Monopoly Prevention**, which notes certain rights and privileges owed to consumers;
- There **REMAIN MASSIVE GAPS** related to **equipping consumer protection bodies** with the power to **implement and enforce the legislation**.

Main Headings

● Very Strong
 ● Strong
 ● Developed
 ● Moderate
 ● Basic
 ● Weak
 ● Very Weak

COMPETITION

● **DEVELOPED**

Anti-Trust and Competition Laws	● Strong
Anti-Dominance and Monopolisation Laws	● Strong
Cartels and Anti-Competitive Agreements	● Strong
Competition Enforcement Practices	● Developed
International Trade Agreements	● Basic
Liberalisation and Competition Intervention in Regulated Sectors	● Moderate
Merger Regulatory Regime	● Weak
Labor Protection	● Developed




FOREIGN DIRECT INVESTMENT (FDI)

● **DEVELOPED**

Banking Regulations	● Very Strong
Macroeconomic Policies	● Developed
Investment Regulatory Framework	● Moderate
Incentivisation Schemes	● Basic
Bi-lateral Treaties	● Very Strong



ANTI-CORRUPTION		DEVELOPED
Anti-Corruption and Integrity in Public Sector	Strong	
Anti-Bribery and Whistle Blow Laws	Strong	
Budgeting and Public Expenditures	Moderate	
Digital Government	Very Weak	
Open Government and Transparency	Weak	
Public Procurement Standards	Developed	

CONSUMER PROTECTION		MODERATE
Physical Safety Regulations	Strong	
Protection of Consumers' Economic Interests	Developed	
Measures Enabling Consumers to Obtain Redress	Moderate	
Promotion of Sustainable Consumption	Weak	

Sub-categories

● Very Strong
 ● Strong
 ● Developed
 ● Moderate
 ● Basic
 ● Weak
 ● Very Weak

COMPETITION

Laws/Decrees (i.e. national legislations/regulations)	● Developed	
Definitions (i.e. legal definitions within legislation/treaties)	● Strong	
Institutions (i.e. bodies/authorities)	● Very Strong	
International Agreements (regional/international conventions, treaties, trade agreements)	● Developed	
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Strong	
Exemptions	● Very Weak	
Accessibility/Transparency	● Basic	

FOREIGN DIRECT INVESTMENT (FDI)

Laws/Decrees (i.e. national legislations/regulations)	● Very Strong	
Definitions (i.e. legal definitions within legislation/treaties)	● Moderate	
Institutions (i.e. bodies/authorities)	● Very Strong	
International Agreements (regional/international conventions, treaties, trade agreements)	● Very Strong	
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Weak	
Exemptions	● Very Weak	
Accessibility/Transparency	● Strong	

ANTI-CORRUPTION



Laws/Decrees (i.e. national legislations/regulations)	● Strong
Definitions (i.e. legal definitions within legislation/treaties)	● Strong
Institutions (i.e. bodies/authorities)	● Strong
International Agreements (regional/international conventions, treaties, trade agreements)	● Moderate
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Developed
Exemptions	● Basic
Accessibility/Transparency	● Moderate

CONSUMER PROTECTION



Laws/Decrees (i.e. national legislations/regulations)	● Moderate
Definitions (i.e. legal definitions within legislation/treaties)	● Basic
Institutions (i.e. bodies/authorities)	● Moderate
International Agreements (regional/international conventions, treaties, trade agreements)	● Moderate
Enforcement (i.e. positive or negative, such as incentives, subsidizes, sanctions, fines, prison sentences)	● Moderate
Exemptions	● Developed
Accessibility/Transparency	● Basic



