

Legal Guide for Investors in the Kurdistan Region

Lawyer

Dr. Mohammad Sedik Khoshnau

Counsel

Mr. Luqman H. Rasool

Counsel

Dr. Hawre Kamal

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Preparation and authoring:

Dr. Mohammad Sedik Khoshnau

Mr. Luqman H. Rasool

Dr. Hawre Kamal

Design: **Lughman Rashidy**

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Forward by the President of the Investment Commission in the Kurdistan Region

Investment began as part of the economic development process and building infrastructure with the establishment of the Kurdistan regional government. With change in the political system of Iraq in 2003 and the openness of the Kurdistan Region to the outside world, the investment process in the region progressed further. This new stage required encouraging national investors to invest and attract foreign investors. To this end, the Kurdistan region issued the Investment Law No. (4) of 2006.

The Investment Commission is the product of this law as one of the prime legal institutions in the investment process of the region. Since then, the Commission worked hard to develop the investment process in the region and granted investment licenses to (940) projects with an estimated capital of (52 billion and 607 million US dollars) since its establishment until 2020.

At present time, our Commission progressed towards a new stage, where our goal is not only the implementation

of investment projects, but at this stage is the quality of investments. At this stage, we seek to establish strategic investment projects based on the economic needs of the region together with the establishment of investment projects in remote areas. To this end, we cooperate with the relevant ministries of the Kurdistan Regional Government and have announced many important strategic projects in our annual investment plans.

Creating a suitable legal environment for the investor does not only mean issuing laws and creating institutions for investment. Rather, providing legal information to the investor by showing their rights and obligations; facilitating the process of informing them about the laws, instructions and decisions related to investment which is complementary to creating the right investment environment. This guide that is in our hands is an important step in this direction in providing legal information to the national and foreign investors on the steps to be taken for obtaining investment licenses for projects submitted to the Commission.

I would like to thank the authors of this legal guide for their efforts in preparing the first legal guide for investors in the

Kurdistan Region of Iraq. I support their initiative which is the right step in the right direction.

Dr Mohammed Shukri Mohammed Saeed

Forward by Chairman of Kurdistan Investors Union

Investment, in general, has an important role in developing the private sector and the country's economy. Therefore, most countries issue investment laws to guarantee the rights of investors in order to encourage them to invest their capital in investment projects. The Kurdistan region like many other countries in the world, issued the Investment Law No. 4 in 2006. This law was the cause to realize many investment projects in the region. In my opinion, this law guaranteed the rights of the investors and encouraged many local, regional and international investors to invest in the region.

Kurdistan Investors Union is a registered organization licensed by both the Ministry of Interior in the Kurdistan Region (Decree No. 8797 on 11/4/2010) and the Kurdistan Board of Investment (Decree No. 93 on 9/12/2011) to represent all the investors. The Union participated in all conferences and meetings of the Supreme Council for Investment in the Kurdistan region representing investors and securing their rights whilst enjoying good relations with the Supreme Council for Investment and creating job opportunities for young people.

In addition, the Union supported all laws for the benefit of the investors to carry out their investment projects.

This legal guide for Investors in Kurdistan written by specialized academics in three different languages (Kurdish, Arabic and English). The guide contains important information for investors showing the steps to be followed for obtaining the investment license together with all relevant information on laws and instructions related to investment in the region. We are grateful for their efforts in preparing this Legal Guide to investors and support their work.

Ahmad A. Aziz Al-Rekani

Forward by Authors

The Investment in the Kurdistan region of Iraq has made great strides, in a way that is hard compare the current phase of investment in the region with the beginning of the enactment of the Investment Law No. 4 of 2006 in the region and the establishment of the Investment Commission. According to its annual plan, the Regional Investment Commission announces and promotes many important and strategic projects within cities and other places in the region. Accordingly, national and foreign investors submit their project proposals and make requests to the Investment Commission to make use of their capital.

This investment movement and the high demand for investment in the Kurdistan region of Iraq make it necessary to have a legal guide for investment for the investor to be aware of the laws and instructions related to investment in the region. The legal guide provides the investors and lawyers with knowledge on investment in the region and guides them on administrative procedures and practical steps to obtain investment clearance. To this end, we as academics specialized

in the field of investment law with practical experience, have initiated writing a legal guide for investment in the Kurdistan region of Iraq.

The aim of this guide is to provide legal information to investors and lawyers, in light of the provisions made by the Investment Act in the region, No. (4) of 2006, instruction No. 1 of 2007, legislation No. 1 of 2007, the decisions of the Supreme Council for Investment and the regional Investment Commission. The aim is also to explain to investors and lawyers the steps on how to apply for an investment license, challenge the decisions of the Commission, resort to the judiciary, as well as to inform them of their rights and duties.

Therefore, we have divided this guide into four chapters, where in the first chapter we briefly talked about investment, investment law in the region, the structure of the region's Investment Commission, as well as the areas where investment is possible under the Investment Law.

In the second chapter, we discussed the procedures for granting investment licenses and the people who have the right to invest in the region, as well as the rights and obligations of the investor.

In the third chapter of this guide, we talked about investor irregularities and arbitration in disputes arising between the investor and other parties, as well as on how to challenge the investor's decisions through the judiciary and settle disputes.

In the fourth and final chapter of this guide, we presented the most important legislation related to the investment process in the Kurdistan region, in addition to instructions No. 1 of 2007 together with the most important decisions of the Supreme Council for Investment and the Investment Commission in the Kurdistan region of Iraq.

The Authors

Chapter One

Investment in the Kurdistan Region

Section One

Summary of the Investment Law in Kurdistan Region No. (4) of 2006

When the investor decides to invest his money, he is looking for a country that has an appropriate and stable legal and administrative environment. A country with a sound and stable legal structure, with less bureaucracy in administrative procedures. This will encourage the national investor to invest and also play an important role in attracting foreign investors.

Although there were many investment projects in the region before 2006, there was no special law on investment in the Kurdistan region, creating a legislative vacuum for the investor who was unable to enjoy the exemptions and incentives normally granted by investment laws. Once the executive and legislative bodies in the Kurdistan region realized that, the Kurdistan parliament passed the Investment Law No. 4 of 2006 which is valid to date.

This legislation at the time was both a legal and an economic necessity. It placed the investment process within a legal framework, granting the investment project and investors many rights, privileges, and incentives that resulted in a major

economic movement as Kurdistan and Iraqi citizens started investing their capital in investment projects and initiating the flow of foreign investment into the region.

The law consists of four parts, fifteen chapters, and twenty-five articles; the first part, which came under the name of general provisions, consists of four chapters, the first chapter of which is devoted to the definition of the terms used in the law. The second chapter covers the areas where to invest. The third chapter deals with foreign investor issues. The fourth chapter deals with special rules regarding land allocation for investment projects.

The second part regulates exemptions and obligations. It consists of five chapters, where the first chapter is devoted to tax and customs exemptions, and the second chapter for tax exemptions, and the third chapter explored legal guarantees for the investor, and the fourth chapter is about investor obligations while the fifth and final chapter of this section sets out the legal procedures taken when the investor violates the rules.

The third part deals with the issue of investment structure in three chapters, the first chapter is devoted to the structure

of the Investment Commission in the Kurdistan region and its tasks, while the second chapter shows the structure of the Supreme Council for Investment, and the third chapter is devoted to the Commission's budget.

The fourth and final part of this law is entitled Granting Leave and Arbitration. It regulates the procedures for granting investment licenses, arbitration, and final judgments in three chapters. Chapter one deals with the procedures for getting a project license. Chapter two is devoted to arbitration while the third and final chapter set out the concluding rules of the law.

Section Two

The Supreme Council for Investment in Kurdistan

The Supreme Council for Investment is the highest investment authority in the Kurdistan region consists of the Prime Minister as chair and Deputy Prime Minister as deputy, acting on his behalf in his absence, Ministers of Finance, Municipalities, Trade, Agriculture, Planning, Industry, and Chairman of the Investment Authority as members of the Council.

The chair of the Council may invite any other ministers to

participate in council meetings for any project that concerns his ministry and/or invite the representatives of the private sector concerned with the project in question.

The council sets its bylaws for how council meetings are to be held and how decisions are taken. Besides, among the powers of the Council is to set policies and strategies related to investment that are proposed by the authority and to approve the plans and programs of the Authority's activities within the framework of the region's general policy towards investment. The bylaws review the financial position of the authority and approve the draft of its annual budget. It also set up a system to monitor, follow up and evaluate the performance of the foreign investment. Lands allocated for investment projects require the approval of the Council before its registration.

Section Three

The Investment Authority in the Kurdistan Region, its structure, and its functions

The Regional Investment Authority is one of the official bodies of the Kurdistan Regional Government with its own personality, financial and administrative independence.

The authority has the right to undertake all necessary legal actions for the purpose of implementing the provisions of the Investment Law in the Kurdistan Region of Iraq No. (4) of 2006.

- The Commission has a president with the rank of a minister and has all the rights and powers of the minister. He is responsible for directing the work of the Commission, supervising and controlling its activities.

- The Commission's Board shall consist of the Commission's Chairman, the General Directors of the Departments within the Commission and the General Directors of the Provincial Departments, and any person with experience or a specialist in the field of investment inside or outside the Commission is added by the Commission's Chairman to the Board without having the right to vote.

- The Commission Council may propose bylaws for it and suggest instructions related to investment for the Supreme Council for Investment in the region and also for the Commission's Council to prepare the Commission's annual budget and propose it to the Supreme Council for Investment for approval.

It may also provide additional facilities, incentives, and

exemptions for investment projects.

The Commission consists of the following departments:

- **The Legal, Administrative, and Financial Affairs Department:** This department has a director with the rank of Director General, who is responsible for legal, administrative, and financial affairs of the Commission.
- **Project Promotion, Evaluation, and Approval Department:** This department is managed by an employee with the rank of Director General and is responsible for evaluating project proposals submitted by investors, as well as promoting their transactions and granting them project licenses.
- **Industrial Cities and Zones Department:** This department is managed by a director with the rank of Director General and he is responsible for affairs related to industrial zones and industrial projects submitted by investors.
- **Department of Studies and Information:** This department is managed by a director with the rank of Director General: is responsible for studies and research related to investment in the Kurdistan Region. This department collects data and information on investment projects.
- The Investment Authority in each governorate has a

general directorate for investment managed by an employee with the rank of Director General: This directorate consists of the same departments that make up the commission and which were previously mentioned. The provincial directorates are established to promote investor's transactions, facilitate their affairs, and coordinate with the concerned authorities in that governorate after being submitted by the investor and approved by the commission.

- The Commission has an internal constitution (the bylaw of the Kurdistan Regional Investment Commission No. 1 for the year 2007) issued by the Supreme Council for Investment on a proposal from the Commission based on the provisions of the Investment Law in the Kurdistan Region. The internal constitution organizes the structure, functions of the Commission and the departments affiliated with the Commission.

Section Four

Kurdistan Investors Union

Kurdistan Investors Union was established in the Kurdistan Region of Iraq under the name (Kurdistan Investors Union) in the year 2010 according to the Ministerial Decree (Order) No. (8797) on 11/4/2010, Ministry of Interior of the Kurdistan Regional Government. By Resolution No. (93) of 12/9/2012 of the Supreme Council for Investment, it was decided to deal with the Kurdistan Investors Union as a professional organization and an official representative of Kurdistan Region investors. The Union takes from the city of Erbil, the capital of the Kurdistan region as its principal headquarters. The aim of establishing this union is to defend the rights of investors and to monitor administrative decisions related to investment and investors. The president of the Union participates in the meetings of the Supreme Council for Investment in the region.

Membership in this union is optional, as the investor can voluntarily become a member of this union and pay in return the annual subscriptions for membership. The member has the right to vote and run for internal positions in the union.

Section Five

Areas of Investment

Under Article II of the Investment Law No. 4 of 2006 in the Kurdistan Region, the provisions of this Law shall apply to projects approved by the Commission in one of the following sectors:

First: Manufacturing industries, electricity, and services related to them.

Second: Agriculture (plant and animal), forests, and the services associated with them.

Third: Hotels, tourism and entertainment projects, and amusement parks.

Fourth: Health and the environment.

Fifthly: Scientific and Technological Research and Information Technology.

Sixth: Modern Transport and Communications.

Seventh: Banks, Insurance Companies, and other Financial Institutions.

Eighth: Infrastructure projects, including construction projects, reconstruction, housing, roads and bridges, railways, airports, irrigation and dams.

Ninth: Free zones, contemporary commercial markets, and associated investment services.

Tenth: Education in all its stages within the framework of the region's educational policy.

Eleventh: Any project in any other sector that the Council decides to include under the provisions of this law.

Note: After the issuance of oil and gas law for the Kurdistan Region No. (22) of 2007. The law excludes investment in oil operations from the scope of the investment law in the Kurdistan Region. Article (58) of it states, "The provisions of the Kurdistan Region Investment Law No. 4 of 2006 shall not apply to oil operations".

Chapter Two

Granting an investment license and its effects

Section One

Procedures for granting investment license

1. The procedures for granting the license to the investor begins with submitting a request from the investor to the Investment Commission in the Kurdistan Region according to the conditions set by the Commission. After receiving the request by the Commission, the commission make a decision on the request within 30 days from the date of completing the technical, legal, and economic requirements and conditions. The request should be in accordance with the provisions of the Investment Law in the Region, taking into account the controls and standards set by the Commission.

In practical terms, the commission prepares the investment requirements as a form on a CD. The investor is asked to complete the form and submit it with a request to the General Directorate of Investment in the governorate in which the project is to be established. After studying the request by a specialized committee, the request is sent to the commission with the aim of approving it as an investment project and granting the investor an investment license.

2. The investor must enter a set of information on the CD-ROM (C.D), including the project map, the economic feasibility of the project, the personal information of the investor, a letter issued by a bank in the Kurdistan Region to prove the financial capabilities of the investor. An explanatory schedule for the start of the project, the stages of completiong the project from the start to copmletion has to be submitted.
3. Once the project is approved by the Commission, the approval of the related ministry must also be obtained. The approved project returned to the General Directorate in which the request was initially submitted in order to take the necessary measures. However, if the project is rejected by the Commission, the investor has the right to appeal within (15) days of the rejection. The president of the commission decides on the appeal submitted to him within (30) days from the date of submission, which is final and cannot be appealed.
4. After returning the approved project to the General Directorate of Investment in the concerned governorate, the General Directorate notifies the investor of the approval and refer it to the Land Allocation Committee. The Land Allocation Committee consists of a representative of the General

Directorate of Investment, a representative of the concerned municipality, and other relevant authorities. The Committee checks the project drawings, the economic plan of the project, allocates the appropriate land area requested within the specifications and requirements of the submitted project. An allocation report is then signed by members of the Land Allocation Committee.

5. Based on this report, the General Directorate for Investment in the concerned governorate directs a letter to the concerned municipality or the authority that owns the land to allocate a suitable plot of land for the project presented. The General Investment Authority then establishes the boundaries of the land by the municipal surveyors and urban planning to hand it over to the investor.

6. Then the price of the allocated plot of land is determined by a committee composed of representatives of the General Directorate of Investment and Finance and the Real Estate Registration Department.

7. After that, the investor must submit the drawings and plan for the project based on the allocated land plot. The drawings are checked by a committee composed of

representatives of the General Directorate of Investment, the Municipality, and Urban Planning. After the committee's approval of the drawings presented, the investor must submit the final comprehensive drawings of the project designed by a licensed engineering bureau, audited by another engineering bureau, and approved by the Engineers Syndicate to the General Directorate of Investment.

8. After that, the General Directorate of Investment sends a letter to the departments related to the project such as civil defense, environment, archeology, electricity, water and sewage, and income tax to obtain their approval according to their own terms and conditions. As follows:

- **Department of Civil Defense:** once the official letter issued by the General Directorate of Investment, the representative of this department pays a visit to the land allocated for the project. Then requests for the project drawings (maps) to be checked to decide on its conformity with the safety conditions and to whether the civil defense instructions are fully applied. After approving the maps, the owner of the project or his agent undertake in writing a legal pledge to implement all the conditions of civil defense in the

implementation process of the project. The final step is for the department of Civil Defense to inform the General Directorate of Investment to their approval in writing.

- **The Environment Department:** After issuing the official letter by the General Directorate of Investment to this department, their representative pays a visit to the land allocated for the project and submit an environmental impact assessment report when the department's engineer checks the project maps to meet the environmental conditions. After approving the maps, the project owner or his agent sign an undertaking in the legal department to implement all the environmental conditions in the project. Then the Environment department officially notifies the General Directorate of Investment of their approval.

- **Department of Archeology:** After receiving an official letter from the General Directorate of Investment to the Department of Archeology, the representative of this department inspects the site allocated for the project for any archaeological areas. Then the project owner or his agents sign a commitment in the legal department to inform the Department of Archeology if an artifact appears during the

implementation of the project. The Archeology department notifies the General Directorate of Investment of their approval of the project.

- **Electricity Department:** An official letter from the General Directorate of Investment is sent to the Electricity Department to check the project maps and examine the conditions for electricity supplies set by the Electricity Department. After approving the request, the department has to determine the size of energy required together with the load of the feeder in order to prepare the electricity materials necessary to connect to the network. It is then, the project approved for the requested electricity supply needed and the General Directorate of Investment notified.

- **Water and Sewage Department:** The General Directorate of Investment needs to contact the Water and Sewage Department to obtain their approval for the supply of water and sewage network for the project in the area. The site visit will determine the quantities of materials necessary for sewage and water supply to the project. Upon completion of the work, the project officially approved by this department and a letter to that effect is addressed to the General Directorate

of Investment.

- **Income Tax Department:** After making sure that no previous income tax is due by the investor prior to the project, this department is obliged to officially exempt the investor from income tax payment. An official letter is sent to the General Directorate of Investment notifying of the exemption.

9. The capital cost of the project is estimated and the economic feasibility study provided by the investor, checked by the General Directorate of Investment is checked. The project capital must not be less than the price of the plot of land allocated to it.

10. Based on the project capital provided in the economic feasibility study of the project, the investor must submit a bank letter of guarantee to the Investment Authority as a guarantee for the implementation of the project. The percentage of the guarantee letter provided varies according to the type of the project as follows: (3% of the project capital for residential and commercial projects and projects in the financial sector, 2% of the project capital for education projects, five-star restaurants, hotels and furnished apartments, 1% of the project capital for tourism, industrial, agricultural and health projects. And

projects that are established in the sub-districts).

11. After completing all the procedures, checking the project file, and making sure that it is free from any deficiencies, the final form for granting the license is prepared. The form must contain all the project information and is sent with the details to the Investment commission to grant the investment license.

Section Two

Rights and Obligations of the Investor

First: Investor Rights

1- Investment projects in the region are exempted from all non-customs taxes and fees for a period of (10) years starting from the date of actual production or services (Article 5.1).

2- All imported machinery, equipment, and tools whether for the purposes of the project or necessary for its expansion, development, or modernization, shall be exempt from taxes, fees and obtaining an import license. In addition to exempting spare parts imported for the project from taxes and fees providing their value does not exceed (15%) of the total value of machinery and equipment. The lists and quantities of equipment are approved by the President of the Commission.

(Article 5.2, 5.3, and 5.4).

3- Raw materials imported for the purposes of project production are exempt from customs duties for a period of (5) years, provided that their quality and quantity are determined by the Commission (Article 5.5).

4- The Commission, in accordance with the requirements of the public interest in the region, may grant additional incentives and facilities to the projects approved providing two features are realized in the project. One, the project is established in the less developed areas of the region, and two, for the joint projects between the national and foreign investors (Article 6.1).

5- The Commission may grant additional exemptions for service investment projects, established in accordance with the provisions of this law. They include projects of hotels, hospitals, tourist cities, universities and schools. The additional exemptions shall be from the purchases of furniture, furnishings and supplies for the purposes of modernization and renewal once every (3 three years), providing they are used for the project. The exemptions valid within one year from the date of the issuance of the Commission's approval of the procurement

lists and their quantities (Article 5.2).

6- The investor is given the right to insure his investment project with any national or foreign company it deems appropriate (Article 7.1).

7- The investor may use the local and foreign manpower necessary for the project, provided that priority is given to local workers (Article 7.2).

8- The investor has the right to transfer ownership of his project by sale or donation in whole or in part. The investor may also assign part of his share to third parties whether the third party is national or foreign. The approval of the Investment Commission is needed for the transfer. The rights and obligations arising from the project are transferred to the new investor (Article 7.6).

9- The investor holds the right to keep the technical and economic details of the project confidential. No one has the right to divulge information related to the project submitted for investment (Article 9).

10- The investor has the right to open bank accounts, for his licensed project in national or foreign currency, or both, with banks in the region and abroad (Article 7).

11- Public services of water, electricity, sewage, public roads and communication should be provided to the project by the government. To that end, the necessary funds in the general budget are allocated (Article 4).

Second

Investor Obligations

A. Commitment to the work progress schedule and start the investment activity on time:

The investor must submit a schedule of work progress to the Commission and abide by its content and deadlines. The investor is obligated to inform the commission upon completion of the project and its actual initiation of providing services or products for the investment project (Article 8.1).

B. Commitment to maintaining environmental safety, security, public health, standardization and quality control systems:

The investor in the Kurdistan Region is obliged to maintain environmental safety, security, health, standardization systems, quality control, and attention to the quality of products to the market in accordance with international standards (Article 8.5).

C. The investor must be committed to qualify and train local employees in order to raise their competencies and skills in the investment project (Article 8.6).

D. Obtaining a license for the investment project and

facilitating the work of the Commission's employees in collecting and obtaining the necessary information about the project (Article 8.3).

The investor is required by the Investment Law in the Kurdistan Region to obtain a license from the Commission to establish the project. The investment license is granted based on an application submitted to the Commission by the investor and gone through a series of required procedures. The Law also requires the investor to facilitate the work of its employees and the competent committees in the Commission to visit the project and collect the necessary information on the project including the percentage of project completion.

E. Keeping records of the imported materials that are exempt from fees for the project:

The Investment Law in the Kurdistan Region requires the investor to keep records of all imported materials exempted from customs duties to be recorded for the purpose of implementing the investment project (Article 8.4).

Section Three:

Allocating Land for Investment Projects

According to the investment law in the region, the Investment Commission, in coordination with the relevant ministries, departments, the owners of the lands, assigns the appropriate sites for future investment projects in the governorates. Restrictions are put by the Commission on the assigned lands in the Real Estate Registration Department that these sites are designated for investment by the Commission (Article 4.1).

First: Methods of allocating land for investment projects

The second paragraph of Article 4 of the law states that the relevant departments in coordination with the Commission allocate plot of lands to the projects within the basic design of the cities. The lands allocated through lease at an encouraging price in accordance with controls set by the Commission as an exception to the provisions of the Sale Law and Lease of State Property (Article 4.3).

1. Owning lands allocated for investment projects:

- The law authorizes the Supreme Council for Investment in the allocation of land to projects proposed by the Commission

at a minimal or promotional price, taking into account the nature of the project, its importance, and public interest requirements. The ownership of the project land is exempted from the provision of Law of Sale and Lease of State Property.

- The Supreme Council for Investment issued Instructions No. (1) in 2007. In item 2, strategic investment projects are defined as “those projects that relate to needs of special importance at a specific period of time determined by the Supreme Council for Investment and contribute to the economic and social development process in the region”. The aforementioned instructions specified the strategic projects in twenty-four paragraphs at the end of this guide.

- The Supreme Council for Investment in Resolution No. 258 of 5/28/2015, gives the right to the investor to request ownership of the land allocated to his project when a 60% percentage of the project and services is completed. Full payment of the land value by the investor is also requested.

- Residential projects, being important projects, addressing housing problems, are among the projects covered by the land ownership scheme. The residential housing units are fully allocated to the investor, land, and the units built on.

- The Investment Law, according to Article (19) of it, forbids the ownership of lands that contain oil and gas, precious or heavy mineral resources.

2. **Land Rent and leasing for investment projects:**

- Non-strategic projects that are not acquired according to the investment law, are allocated through rent or lease at an encouraging price according to Commission instructions for the project purposes. The investment law in the region excluded the lands allocated for investment projects from the provisions of the Law of Sale and Lease of State Property in force in the region. As previously mentioned, the State Property is leased through public auction in accordance with the procedures set in the Law.
- In practice, the lease formula is not approved by the investment commission in the region. Rather, in practice, the commission usually depends on the renting formula for investment projects in which ownership is not included.
- A renting contract is regulated on joint investment projects by the Investment Commission for a different period of time according to the nature and capital of the project.

- According to the Iraqi civil law, the right of lease entitles its owner to make a building or plant on the land of others according to an agreement between the lessee and the lessor (owner of the land). This agreement specifies the rights and obligations of the lease. The Iraqi civil law specified the period of the lease to not exceed fifty years. The law gives the lessee the right to sell, rent or offer as a gift the leased land. The lease is also inherited as a will in accordance with the special provisions of inheritance.

Section Four

People who have the right to invest in the Kurdistan Region

The investor according to the definition contained in the investment law is: “a natural or legal person who invests his money in the region according to the provisions of this law, nationally or abroad.” From this definition, it becomes clear to us that the investment law does not differentiate between a legal person and a natural person if it is permissible to be an investor. The law in its definition of the project also did not differentiate between a natural and a legal person (company).

It defines it as: “Any economic activity or investment project established by a natural or legal person on land allocated to him”.

Furthermore, the Investment Law in the Kurdistan Region does not differentiate between the national investor and the foreign investor. Article 3 of the Investment Law stated that: “The foreign investor and foreign capital are treated like the national investor and the national capital, and the foreign investor shall have the right to own the full capital of any project that he establishes in the region under this law”.

A. Natural personality (national and foreign):

A natural person means a human being. According to the investment law, every natural person who has legal capacity and has the ability to invest in projects has the right to submit an application for an investment license in his name without the need to establish a company. The projects which require in its completion establishing a company are exempted such as insurance companies.

Since the investment process is one of the legal actions, the one who practices the investment activity must enjoy the

legal capacity. However, the investment law in the region did not address the issue of investor eligibility. Based on Article 22, cases for which no text is mentioned in this law are subject to the general rules contained in other relevant laws provided and it does not conflict with the provisions of the Investment Law. Here, the provisions of the Iraqi Civil Law No. (40) of 1951 apply with regard to the eligibility of the investor which is stated in Article (106). The age is set at eighteen years to be eligible to practice an investment activity and become an investor. That is provided that there are no symptoms of ineligibility (such as insanity, dementia, foolishness, negligence, double disability, absentee, and a criminal sentence).

B. Corporate entity (national companies and branches of foreign companies):

The legal entity in the investment law and the right to invest is given to the company of all its types mentioned in the Iraqi Companies Law No. 21 of 1997 as amended. Here, the Investment Law did not differentiate between the foreign and local company, as the foreign company can open a branch for it in the Kurdistan Region and engage in commercial business and investment.

A company of any kind is established in the region and registered with the Ministry of Trade, Directorate of Companies Registration in the province based on the Iraqi Companies Law No. 21 of 1997. It states that every Iraqi or foreign person can establish a company, as the Iraqi Companies Law did not differentiate between a foreigner and a national.

Foreign companies open branches and register them in the Kurdistan Region with the same name and have the right to invest in the region. The foreign company must submit an application to the Directorate of Companies Registration in the governorate in which they conduct their commercial activities.

At this stage in the Kurdistan Region, the registration of local companies and branches of foreign companies is done electronically through the website of the General Directorate of Companies (www.crkrkrg.org). The trade name of the company is reserved, the approval of the Chamber of Commerce and the General Directorate of companies obtained on the name. This is followed by the process of filling out the necessary form to register the company electronically on the Companies Directorate website. Once the incorporation approval is gained, the company must submit the original documents to

the registration directorate in the governorate in which the company is to be registered and registration fees paid. The company gains its corporate personality after the issuance of the company certificate by the General Directorate of Companies.

Section Five

The foreign investor in the Kurdistan Region

- The Investment Law in the Kurdistan Region included a special provision to grant the foreign investor the same rights as the national investor. The foreign investor and foreign capital are treated the same as the national investor and national capital. This means that the foreign investor, like the national investor, has the right to own his project with its various assets (land and facilities built on it). (Article 3).
- The foreign investor has the right to buy and rent lands and real estate necessary for the purpose of establishing, expanding and developing the project. The foreign investor also has the right to buy residential real estate and non-productive cars for the benefit of his project (Article 4.10).
- The foreign investor has the right to return his capital to

his country abroad upon liquidation of the project or disposal of it, in a manner that does not contradict the provisions of the customs and tax laws in force (Article 7.5).

- A foreign investor is allowed to transfer back abroad his profits and interest of his capital in accordance with the provisions of the Investment Law (Article 7.3).

- The Investment Commission grants additional incentives and facilities for investment projects approved in accordance with the investment law in which the foreign investor is a partner (Article 6.1).

- In addition to all the rights, privileges and exemptions granted to the national investor as stated in Article (3) of the Investment Law.

Chapter Three

Investment disputes and punishment for violated investor

Section One

Arbitration in investment disputes

When disputes arise between investors on matters related to investment projects, the parties try to solve the problems according to the articles and paragraphs of the contract signed between them.

However, if the contract signed between the investors does not contain a solution to the outstanding problem between them, then the parties resort to understanding, negotiation, and dialogue to resolve the disputes arising.

In the event that they do not reach satisfactory solutions, the conflicting parties may resort to arbitration according to the provisions of the Iraqi Civil Procedure Law No. (83) of 1969 as amended and put in force in the Kurdistan Region. The parties may also resort to international or bilateral agreements in which Iraq is a party to settle the dispute arising between them.

The provisions relating to arbitration are stated in Articles (251-276) of the Iraqi Civil Procedure Law, where Article (251) stipulates: "It is permissible to agree on arbitration in a specific dispute, and it is also permissible to agree on arbitration in

all disputes that arise from the implementation of a specific contract”.

If the parties do not reach solutions through the aforementioned methods, they may resort to the courts of the Kurdistan Region. The courts in Kurdistan have legal authority over all natural and legal persons in the region except for those exempted by a legal text. The first instance courts in the region have the jurisdiction to hear cases arising from investment disputes.

Section Two

Appeal against the decisions of the investment Commission and recourse to the courts

When the investor's request to establish his investment project is rejected by the Kurdistan Regional Investment Commission, the applicant may object to the President of the Council within (15) days from the date of his notification of the rejection decision, and the President of the Commission decides on the objection within a period not exceeding (30) days and the decision of the Chairman will be final (Article 4.16).

Once the investment license is granted to the investor and the project is established. Then a decision by the commission causes harm to the investor or the commission does not fulfill its obligations according to the investment law. The investor has the right to apply to the courts in the region be administrative courts or the courts of the first instance to resolve the issues related to investment.

In investment cases, the judge applies the provisions of the Investment Law in the Kurdistan Region of Iraq No. (4) of 2006. In cases where there is no text in the Investment Law, the judge applies the general rules in other laws such as Civil Law, Commercial Law, Companies Law or any other relevant law.

Section Three

Penalty for the Investor's Violation (Legal procedures against violated investors)

- If the investor violates the provisions of the investment law or violates one of the paragraphs of the contract signed between him and the competent authorities. The Commission shall warn the violating investor and request to immediately stop the activity causing the violation, with a time limit

commensurate with the nature of the violation or remove that violation (Article 9.1).

- In the event that the investor insists on the violation and not removing its effects during the period granted to him by the Investment Commission, then the granted land shall be confiscated from him. If facilities were made on the land by the violated investor, the Commission shall acquire those facilities at their value in accordance with the provisions of the general civil law. If the land is allocated for a new investor for the purpose of completing the project, the new investor shall be made obliged to pay the value of the facilities to the investor from whom he retrieved the land. Here, the violating investor bears responsibility for the damages resulting from his failure to implement his obligations (Article 9.2).

- If the investor leases the land allocated for his project wholly or partly, or if he exploits it for purposes other than those for which it was allocated originally without the approval of the Commission, the whole land or the part that is rented or exploited for other than the purpose specified in the investment license shall be recovered from him. The violated investor shall pay double the equivalent cost for the period Leasing the

land or using it for purposes other than those designated for it, and the amount is collected according to the provisions of the government debt collection law in force in the region. In the event that the recovered land has the facilities built on it, the Commission shall acquire them at their value. If the land is allocated to a new investor to complete the project, he shall be made to pay for the value of these facilities. The violating investor shall be responsible for any damage resulting from his failure to implement his obligations (Article 9.3).

Chapter Four

Laws, Instructions and Decisions related to the Investment Process in the Kurdistan Region

Section One***Legislation related to the investment process in the Kurdistan Region***

- 1- Iraqi Civil Law No. (40) of 1951, as amended.
- 2- Civil Procedure (Litigation) Law No. (83) of 1969.
- 3- Real Estate Registration Law No. (43) of 1971.
- 4- Law of Government Debt Collection No. (56) of 1977.
- 5- Income Tax Law No. (113) of 1982.
- 6- Iraqi Trade Law No. (30) of 1983.
- 7- Customs Law No. 23 of 1984.
- 8- Law of Sale and Lease of State Funds No. (32) of 1986.
- 9- Iraqi Companies Law No. 21 of 1997 as amended.
- 10- Investment Law in the Kurdistan Region No. 4 of 2006.
- 11- The system of branches and offices of Foreign companies and Economic Institutions No. (5) for the year 1989.

Section Two

Instructions No. (1) of 2007

Based on the powers granted to us under the Investment Law No. 4 of 2006 and with the aim of further clarification of the aforementioned law and facilitating its implementation, the following instructions are issued:

First: The Investment Project:

Every economic activity covered by the provisions of Investment Law No. 4 of 2006, considered to be an investment project.

Second: The Strategic Investment Project:

Strategic projects are those projects related to the needs of special significance at a certain point in time determined by the Supreme Council for Investment and contribute to the economic and social development process of the region. The investment projects listed below considered strategic investment projects:

- 1- Strategic storage projects and granaries greater than 25,000 tons together with cooling complexes for vegetables and meat greater than 750 square meters.
- 2- Electrical energy production units with output not less

than 50 megawatts.

3- Industrial projects:

A- Food industries, such as canning dairy, meat, mineral water, vegetables, and fruits.

B- Metal industries such as extraction, melting and casting plants for the iron and other minerals.

C - Heavy construction industries such as cement plants and prefabricated building

D - Spinning, weaving, tanning and leather industry.

E- Petrochemical industries.

F- Electronic industries such as manufacturing and assembly laboratories for home electronic devices and computers.

G- Paper industries such as paper and cardboard making factories.

H- Plastic industries, such as plastic molds and sections.

I- Manufacture of machinery, equipment and car assembly.

J- Drug laboratories, provided that the company obtains the ISO certificate for medicines.

4- Tourism projects with an international brand, with no less than four stars.

5- Private hospitals of not less than 400 beds.

6- Road construction projects, building bridges, trams, passenger stations and airports. It is meant for the investor to implement this type of project in the BOT manner, i.e. building the project, then operating it, and then transferring it to the state.

7- Establishing banks and financial institutions or opening branches of international banks in the region, provided that they are at the level of international banks and have international financial relations with a capital of not less than (40) million US dollars.

8- Housing projects provided that they are not less than 100 housing units and the area of each unit is not less than 80 square meters.

9- Building projects for private schools, institutes and universities (provided that they contain all supplies such as laboratories, multi-purpose halls, sports fields, etc. ...)

10- Irrigation projects, such as the construction of dams, irrigation canals, and land reclamation It is meant is for the investor to implement this type of project in the BOT manner, meaning building the project, then operating it, and then transferring it to the state.

11- Agricultural and livestock projects:

A- Breeding animals by establishing advanced fields and using modern systems and equipment, provided that the number of animals in a single project is not less than (500) heads of dairy cows or (1000) heads of calves or (3000) heads of sheep and goats for breeding and reproduction.

B - Raising poultry using advanced modern systems, provided that the production will be no less than (50) million eggs per year in the project of table eggs or broiler chicken eggs.

C- Cultivation of animal feed using advanced methods, provided that the agricultural area is not less than 250 dunums.

D - Fruitful orchards using contemporary methods, provided that they are not less than 250 dunums.

E- Seed revision and improvement projects.

Third: Every investment project with capital less than (250,000) two hundred fifty thousand dollars, will not enjoy the benefits of tax and customs exemptions and other additional exemptions contained in Articles 4, 5, and 6 of Law No. 4 of 2006, even if it is included in the list of investment projects.

Fourth: The Commission shall review the list of strategic investment projects contained in Paragraph 2-b of (First) of

these instructions. It will also reconsider determining the minimum required annual investment at the beginning of each fiscal year to take inflation and currency exchange rates into consideration. The information will be raised to The Supreme Council for Investment for approval and inclusion in its annual strategic investment plan.

Fifth:

A- The investor who owns an investment project covered by exemptions, and after obtaining the approval of the Commission, may sell or assign his investment project in whole or in part to other investors subject to the provisions of the law, after the completion of the project.

B- The investor who benefitted from tax exemptions in his investment project may, after completion of the project and obtaining the approval of the Commission, sell fixed assets of the project to any person or project not covered by exemptions after paying all taxes and fees incurred on them.

C- If the project is transferred during the period of the exemption granted from a certain growth area to another growth area of less growth, according to the instructions issued by the Commission, the investor shall inform the Commission

in writing of this and the project shall enjoy the exemptions for the last growth zone during the period remaining. The exemptions will be treated under transferred growth zone projects for the remaining period of the project.

D- When partnership of the joint project between the national and foreign investor is terminated, the Commission shall be notified in writing of that who will cancel the additional incentives and facilities granted to the project in accordance to paragraph (2-1) of Article 6 of the law, starting from the date of the dissolution of the participation.

E- Foreign investors shall enjoy all the rights and privileges to which they are entitled to, arising from the provisions of bilateral or international agreements to which the region of Iraq is a party.

F- The investor may request to raise the sign of not disposing of the plot of land allocated to his investment project after completion of 30% of the project. This is for the purpose of taking a loan from the banks for the investment project, provided that the money is used exclusively for the investment project.

G- With regard to residential housing projects, offices,

and shops are classified to be registered in the name of local or foreign buyers after obtaining approvals from relevant authorities in accordance with the laws in force in the region.

Sixth: Conditions and criteria for awarding licenses

When applying Paragraph One of Article (sixteen) of Section One, Chapter Four of the Law, the following shall be observed:

H- The investment activity of the project to be granted a foundation license from the Commission must be listed within the economic sectors stipulated in Article (2) of Section Two, Chapter One of the Law.

I- That no final judgments have been issued against the investor or the project due to fundamental violations of the investment law and the provisions of these instructions.

J- That the investor, whether a natural or legal person, has not been previously convicted for financial or commercial violations in the region and Iraq or other countries.

K- It is not permissible to grant a license, a privilege, or an exemption that causes the breach of any international or regional treaty or agreement to which Iraq is a party to.

Seventh: Procedures for granting a license to establish the project.

When applying the second, third, and fourth paragraphs of Article (sixteen) of Section One, Chapter Four of the law, the following shall be observed:

A- The Commission shall prepare a guide for the investor that includes a description of the procedures for obtaining the license to establish the project, passes and other required papers, the forms, and documents to be submitted together with any other necessary information needed by the investor. The guide must include a presentation of the incentives, benefits, exemptions and guarantees that will be enjoyed by the projects covered by it.

B- Investment applications shall be submitted to the Commission or one of the investment branches in the governorates, on the form prepared for that, complete data, and submit with it all the required documents mentioned in the Investors 'Guide. Investors can submit their requests to the Commission by direct delivery, mail, fax, or electronically. The Commission will only hand or deliver the incorporation license after obtaining the original documents from the

applicant investor. The Commission shall inform the applicant electronically or in writing three days from the date of receiving the application.

C- Investment applications submitted to the commission shall be considered according to the provisions of the Investment Law, the instructions issued thereunder, and the decisions made by the Supreme Council for Investment. The license to establish the project is issued and signed by the President of the Commission or a person authorized by him within (30) thirty working days from the date of completing all the technical, legal, and economic requirements.

D- The Commission informs the investment applicant of the final decision in writing by direct delivery, registered mail, using e-mail or any other means.

E- The related ministries and government departments in the region must facilitate the immediate issuance of all necessary documents and for matters related to foreign investors and foreign workers, such as entry visas, departure attributes, and residence documents.

F- In coordination with the Commission, all concerned ministries shall form committees for technical supervision

and follow-up the progress of project implementation in accordance with contracts and licenses granted to investors.

Eighth: The distribution of areas in the Kurdistan Region according to the level of economic growth is as follows:

- A. Relatively developing regions, Class A: Include the city municipalities of Erbil, Sulaymaniyah, Dohuk, and Zakho.
- B. Medium growth areas, Class B: It includes the districts of Soran, Shaqlawa, Harir, Koya, Rania, Chamchamal, Kalar, Amedi (Amadiyah), and Akre (Aqrah)
- C. Low-growth areas, class C: It includes all regions, sub-districts, and rivers in the region, which were not mentioned in paragraphs A and B above. This includes also the sectors of agriculture, tourism, industry, and education in all areas of the region.
- D. The Commission reconsiders the distribution of the above regions from time to time in light of the developments that take place in each region and submits its recommendations to the Supreme Council for approval.

The Supreme Council for Investment in the
Kurdistan Region

Section Three***Decrees of the Supreme Council for Investment in the Kurdistan Region***

Kurdistan Region

Council of Ministers

Issue: 14

The Supreme Council for Investment

Date: 24/04/2007

Decree

In light of meeting No. (2) of the Supreme Council for Investment on 04/11/2007 and based on the provisions of the second paragraph, Article (16) of the Investment Law No. (4) of 2006, we decided the following:

A- All concerned ministries must respond to correspondence of the Investment Commission within a period not exceeding (15) days.

B- Take the necessary measures in case of delay.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 37

The Supreme Council for Investment

Date: 05/06/2008

Decree

With reference to paragraph (8) of the minutes of the seventh meeting of the Supreme Council for Investment and for the purpose of providing additional facilities to investors in obtaining entry and residence visas, we decided the following:

First: Granting the President of the Investment Commission the authority to write directly to the security and residency departments to award entry and residence visas to investors without referring to the Ministry of Interior.

Second: The Minister of Interior must inform all departments of the ministry of this decision for the purpose of implementing it.

Third: This decision shall be implemented from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 57

Supreme Council for Investment

Date: 15/10/2009

Decree

Based on paragraph (3), Article (14) of Investment Law No. (4) of 2006 and with reference to the 11th meeting of the Supreme Council for Investment on 14 September 2009, we decided the following:

First: It is absolutely forbidden to sell residential land within the boundaries of investment projects, and the investor is only entitled to sell units that have been fully constructed.

Second: To stop registering lands in the names of buyers by the Ministry of Justice.

Third: The concerned authorities must implement this decision.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 85

Supreme Council for InvestmentDate:

08/07/2011

Decree

Based on paragraph (3), Article (14) of the Investment Law No. (4) of 2006 and with reference to the 11th meeting of the Supreme Council for Investment held on 12 July 2011, we decided the following:

First: Not to compensate landowners who have the right to dispose of their lands and have requested an investment license with the aim of implementing investment projects on their lands.

Second: The concerned authorities must implement this decision.

Dr Barham Ahmed Saleh

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 130

The Supreme Council for Investment

Date: 16/04/2013

Decree

Based on paragraph (3), Article (14) of Investment Law No. (4) of 2006 and with reference to the 20th meeting of the Supreme Council for Investment on 1 April, 2013, we decided the following:

First: Investors have the right to deliver services from outside their projects to the boundaries of their projects instead of contractors.

Second: The investor must deliver these services at bidding prices or less.

Third: The concerned departments must supervise how these projects are implemented according to the schedules and specifications in force.

Fourth: This decision will be implemented by the ministries and relevant authorities from the day it is issued.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 134

The Supreme Council for Investment

Date: 16/04/2013

Decree

Based on paragraph (3), Article (14) of the Investment Law No. (4) of 2006 and with reference to the 20th meeting of the Supreme Council for Investment on 1 April 2013, we decided the following:

First: The investor who has completed 50% of his project may partner with someone else in the project, provided that the rate of partnership for his new partners does not exceed 50% of the project.

Second: The new partners must abide by the conditions of the license.

Third: The investor must introduce his new partners to the investment Commission.

Fourth: This decision will be implemented by the ministries and relevant authorities from the day it is issued.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 175

Supreme Council for Investment

Date: 15/09/2015

Decree

Based on the Investment Law No. (4) of 2006 and with reference to the 22nd meeting of the Supreme Council for Investment on 1 September 2014, we decided the following:

First: Canceling the Decree No. 95 of 09/10/2011 of the Supreme Council for Investment.

Second: After implementing paragraph (1) above, the following powers shall be granted to the general directorates of investment in the governorates:

A- Receipt of the initial request from the private investor to establish an investment project.

B - Submit the proposed project file to the Investment Commission for the purpose of obtaining the initial approval for calculating the project as an investment project according to the criteria set and in accordance to the investment law.

C- After obtaining approval, the initial file of the project is sent to the concerned general directorate for the purpose of completing

all legal procedures. This include approaching and obtaining approval, non-objection of all concerned authorities at the level of governorates and preparing all supplies to grant investment project licenses which are issued by the Investment Commission according to Investment Law No. 4) for the year 2006.

Third: The President of the Investment Commission, based on Article (23) of the Investment Law No. (4) of 2006, may issue the necessary instructions to facilitate the implementation of this decision.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 212

Supreme Council for Investment

Date: 28/05/2015

Decree

Based on the Investment Law No. (4) of 2006 and the Council of Ministers Decree No. (450) dated 20/01/2015 regarding the formation of a committee to seek appropriate solutions to housing problems, submit a report and recommendations to the Supreme Council for Investment Council, and with reference to the 23rd meeting of the Supreme Council for Investment on May 4, 2015, for the purpose of controlling the sale and purchase of the share of investment companies, we decided the following:

1- The General Directorate of Company Registration shall not promote sale and purchase transactions or assign shares of companies that have investment licenses in the field of residential projects without the approval of the Investment Commission.

2- The Investment Commission and the concerned authorities shall implement this decision.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 251

Supreme Council for Investment

Date: 28/05/2015

Decree

According to Paragraph (3), Article (14) of the Investment Law No. (4) of 2006 and Paragraph (37) of the Minutes of the Meeting No. (20) of the Supreme Council for Investment on 04/05/2015, regarding the guarantee letter from investors for the implementation of the investment project, we decided the following:

First: Receive a letter of guarantee (1% to 3%) of the project value from the investors according to the type of project sector and the relationship between the investor and the citizen.

Second: The Investment Commission must issue instructions in this regard.

Third: The concerned authorities must implement this decision from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 253

Supreme Council for Investment

Date: 28/05/2015

Decree

Based on Paragraph (3), Article (14) of Investment Law No. (4) of 2006 and Paragraph (40) of the Minutes of the 23rd meeting of the Supreme Council for Investment on 04/05/2015, related to the Ministry of Municipality's instructions regarding building permits in order to reduce red tape and reduce administrative procedures by the investor to grant licenses according to the specifications of the basic design and not to create conflicts as happened previously, we decided the following:

First: Maps for projects located within the municipal boundaries shall be approved by the municipality and the concerned city planning department before granting them the investment license.

Second: After obtaining the investment license, the investor may start implementing his project without obtaining a building permit from the municipality.

Third: The concerned authorities must implement this decision from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 258

Supreme Council for Investment

Date: 05/28/2015

Decree

Based on Paragraph (3), Article (14) of the Investment Law No. (4) of 2006 and Paragraph (44-D) of the Minutes of the 20th meeting of the Supreme Council for Investment on 04/05/2015, in reference to the Investment Commission attached document regarding Qaiwan Company's request to reduce the percentage determined for owning their project, we decided the following:

First: Reducing the percentage needed to own projects from 80% to 60%, provided services are implemented in the same percentage.

Second: The concerned authorities must implement this decision from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 376

Supreme Council for Investment

Date: 07/11/2017

Decree

Based on Paragraph (3), Article (14) of Investment Law No. (4) of 2006 and with reference to the 23rd meeting of the Supreme Council for Investment on 14/08/2017, and based on Supreme Council for Investment Decree No. (152) dated 10/12 / 2013, related to setting a strategic standard for commercial project ownership, we decided the following:

First: Instructions No. (1) for the year 2007 shall form the basis for strategic projects.

Second: The concerned authorities must implement this decision from the day it is issued.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 381

Supreme Council for Investment

Date: 07/11/2017

Decree

Based on Paragraph (3), Article (14) of Investment Law No. (4) of 2006 and with reference to the Meeting number 23 of the Supreme Council for Investment on 14 August 2017, and in reference to the correspondence from the General Directorate of Investment in Erbil No. (1063) on 04/06/2017 related to Supreme Council for Investment Decision No. 92 dated 08/09/2011 regarding the Subcommittee on Land Allocation for Investment Projects, we decided the following:

First: Abolishing the Subcommittee on Land Allocation in all governorates.

Second: The concerned municipalities shall allocate lands for investment projects after receiving instructions from the Investment Commission.

Third: The concerned authorities must implement this decision from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 407

Supreme Council for Investment

Date: 02/01/2018

Decree

Based on Paragraph (3), Article (14) of the Investment Law No. (4) of 2006, supplemented by our Decree No. (251) dated 28/05/2015 regarding the letter of guarantee by investors at a rate (1% to 3%) according to the sector as a guarantee for the implementation of the investor's obligations to the Investment Commission, we decided the following:

First: Excluding major industrial projects whose cost is more than (100 million) dollars from the Supreme Council for Investment Decision No. 251 dated 28/05/2015.

Second: These projects are exempt from the letter of guarantee requirement for its importance in the economic progress of Kurdistan.

Third: The concerned authorities must implement this decision from the day it is issued.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

Kurdistan Region

Council of Ministers

Issue: 1714

The Supreme Council for Investment

Date: 18/02/2007

Decree

In light of the meeting No. (1) of the Supreme Council for Investment on 17/01/2007 and based on Article (14) of Investment Law No. (4) of 2006, we decided the following:

1- Forming an (Investment Unit) in all relevant ministries in the Kurdistan Regional Government and appointing an experienced and competent employee as responsible for this unit to promote investment transactions in the Ministry and departments.

2- The concerned ministries shall implement this decision from the date of its issue.

Nechirvan Barzani

Chairman of the Supreme Council for Investment

