



Iraqi-European business & Investment Forum

ATHENS
18 MAY 2017

Facts about IRAQ

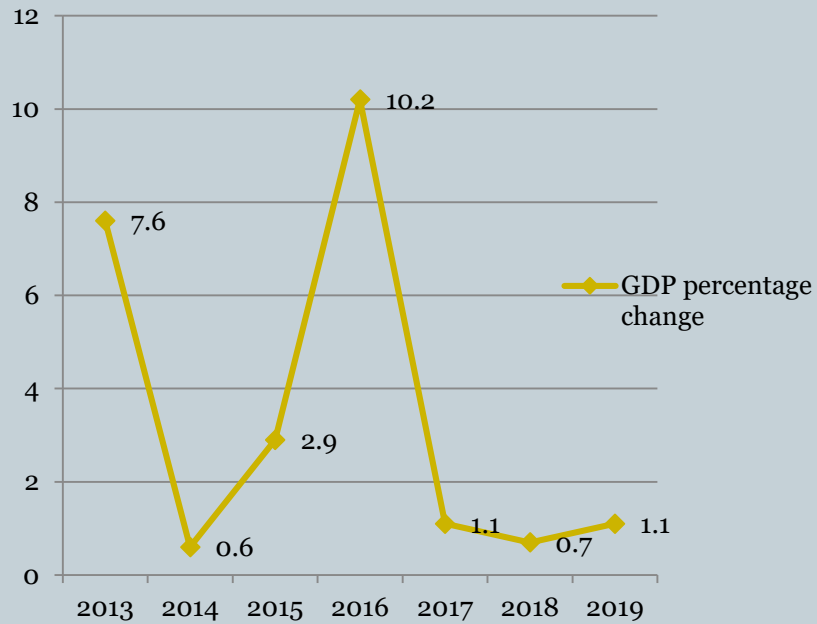


- Area : 437072 sq KM
- Population: approximately 38 146 025 @2016
- Political system: Parliamentary / PM / government
- Exchange rate : 1 US\$ = 1180 ID Central Bank, =1250ID local market
- Economy : open , dependant on Oil. 95%form revenue
- Export : 99.5% export oil,
- import 326BUS\$ in 8 years
- GDP: 192billion US\$
- Debit: 106 billion US\$ (42\$B Ext, 64\$B Int)
- Transportation : 1 Port , 6 Airport, Road network , limited railway network
- Location : E /Iran , S/ Kuwait & KSA
N/Turkey, W/ Jordan /Syria

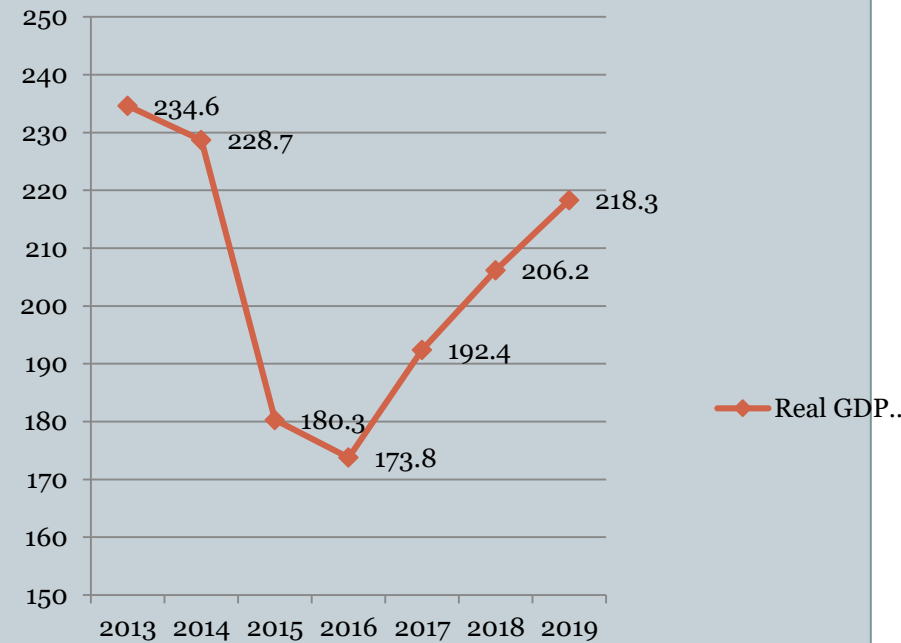
GDP

الله أكبر

GDP percentage change



Real GDP US\$



OIL



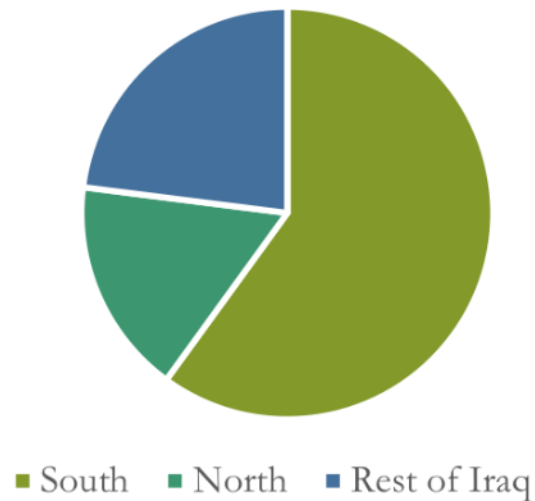
- Production 4.5mbpd,
- export 3.75mbpd
- 6 % of today's global oil exports
- 9 % of total global reserves
- Fifth largest proven reserves of petroleum
- The cost of oil production in Iraq is one of the lowest in the
- 58 percent of the country's GDP

Oil geography

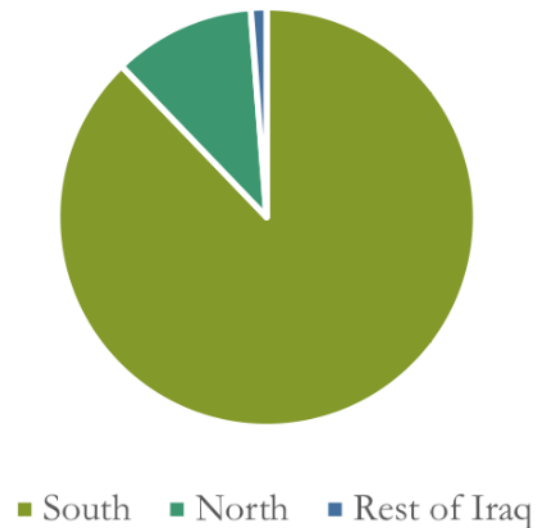
الله أكبر

Oil Reserves and Production, by Region

Reserves, by Region



Oil Production, 2015



International Energy Agency (2012)

Economy



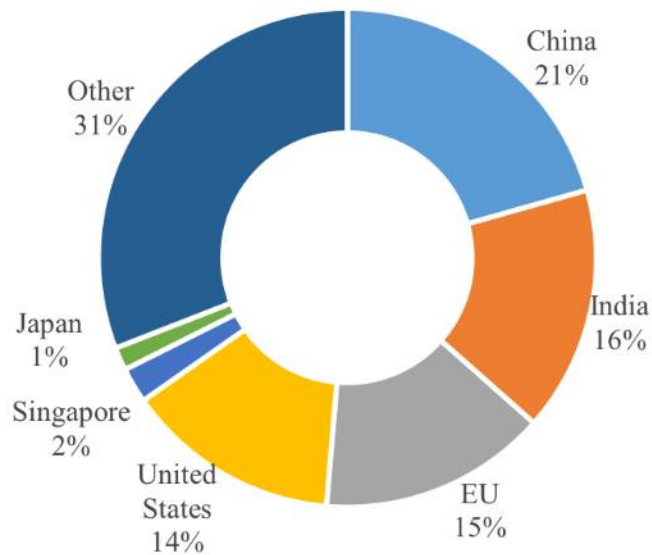
- The central government alone has expanded to 44 percent of GDP today
- The public sector is by far the largest formal sector employer.
- SOEs was strengthened as the state had no incentives to restructure them. !! Need to
- Tension between the need to improve the basic services and the overwhelming role that the state plays in the economy
- A sharp decline in the share of both exports and imports as a percentage of GDP lies behind this trend.

Export

الله أكبر

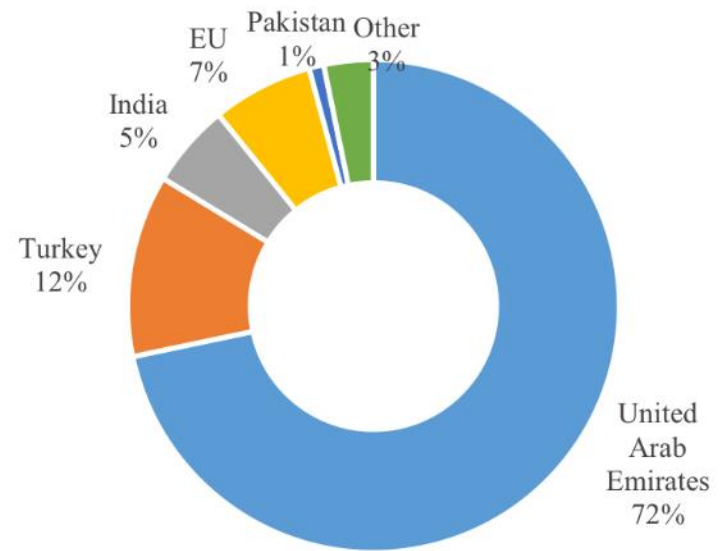
Share of Exports by Destination

Oil Exports



Source: UN-COMTRADE

Non-oil exports



Source: UN-COMTRADE

Government Program

الله أكبر



The government has launched a reform plan 2015-2018 to:

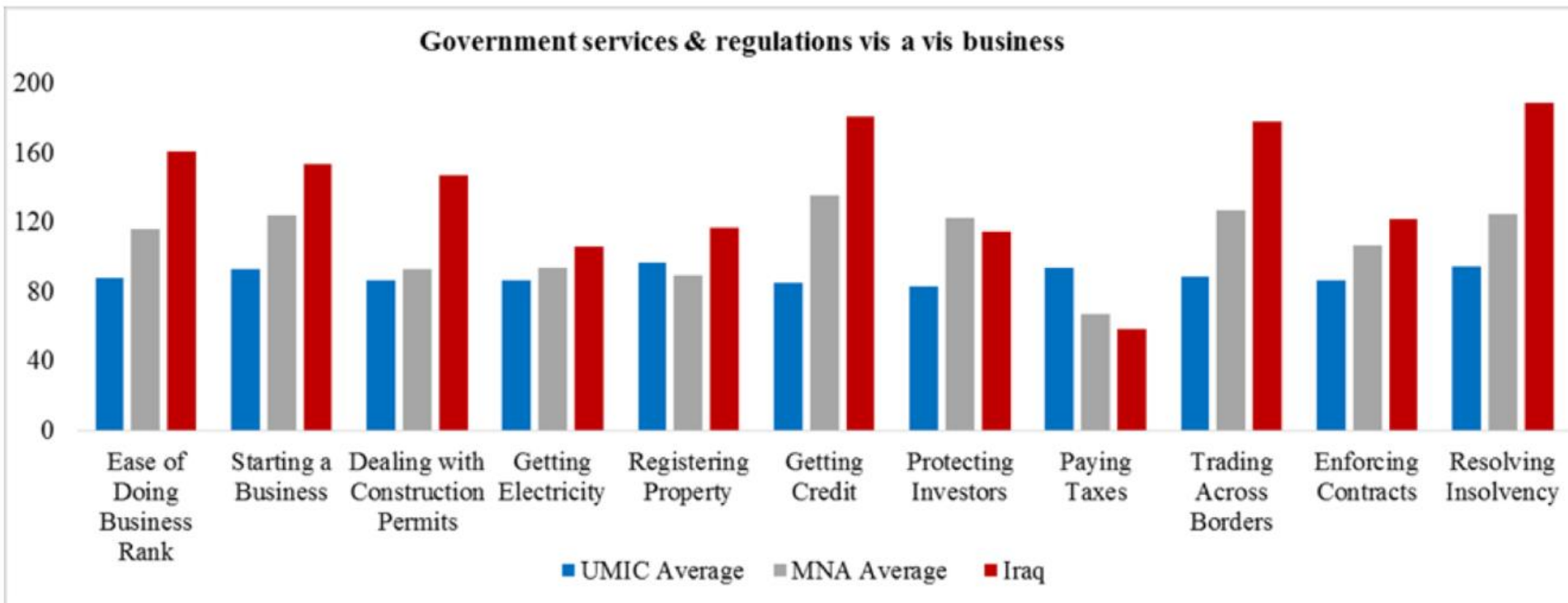
- Deliver better services to the public.
- strengthen transparency and reduce corruption
- Rebuild State institutions that were systematically weakened over the past three decades
- Achieve security and stability through liberating cities and provinces controlled by terrorist groups, and
- Restoring the rule of law. The second priority is to deliver public services and
- Upgrade the standard of living of the Iraqi people.

DOING Business in Iraq

الله أكبر

Constraints to Doing Business (low = best, high = worst)

Government services & regulations vis a vis business



Source: Doing Business Index, 2016

Why doing Business in Iraq

الله أكبر

- *Potential for future*
- *Strategic Location*
- *Demandable Market*
- *Mineral and Natural resources*
- *Availability of human resources*
- *Sufficient local partners*
- *High profit hub*

We are where we are

الله أكبر



- **100% Operational Budget of the overall Budget**
- **Privatization is essential**
- **Potential Development in all sectors but resources not enough**
- **Energy Sector consume 40% of Investment Budget**

Industry in Iraq

الله أكبر



Private
sector

Public
sector

SOE's

الله أكبر



Type	Main productions	No. SOE	No of Factories
Heavy industry	Steel, cars, machineries	5	20
Electronic	Telecom., hardware, cameras ,.....	2	12
Electrical	Transformers, cables , generators.....	4	25
Mechanical	Water treatment, hydraulics, copper	3	15
Civil and construction	Cement, construction material ,pipes, class, tiles	4	47
chemical	Chlorine, pesticide, rubber...	4	23
Petrochemical	Polyethylene ,paper,	1	10
Fertilizers	Ammonia, urea,	1	7
Phosphate	Sulfuric acid phosphoric acid,,.....	1	9
Food industry	Dairy , oil, sugar....	1	14
Medical equipments and drugs	All medicines and medical equipments	1	5
Textile and tanning	Shoes, clothes , blankets, cotton, carpet	1	37
Military	—————	1	8
Sulfur	All sulfur kinds and alum	1	4
		30	236

Mining

الله أكبر



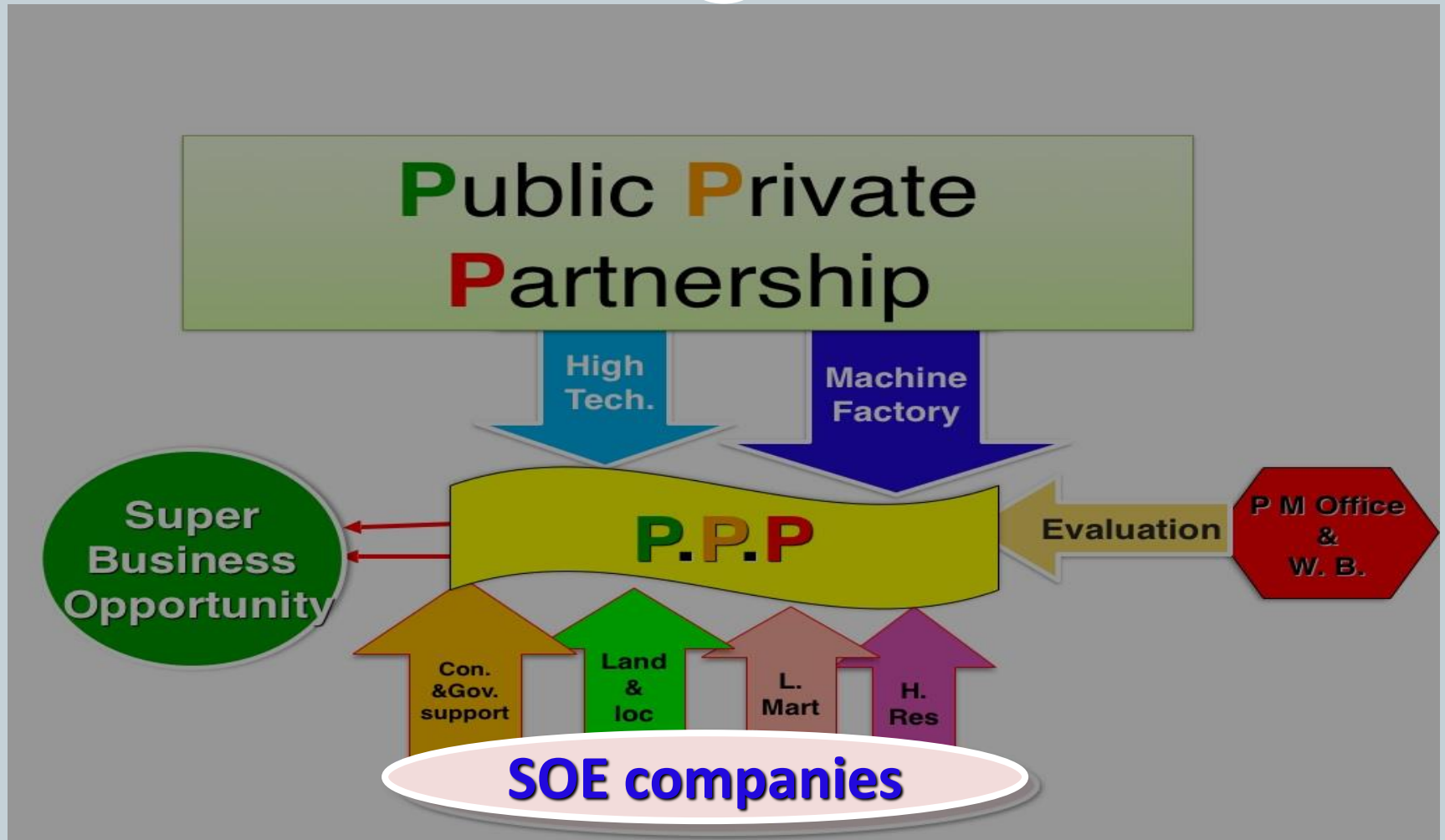
- **Swab and Wadi Hirra Phosphate Deposit**
- **Mishraq and Lazzaga Native Sulfur Deposits**
- **Silica Sand for Glass, Foundry, Thermostone and Silicon Industries**
- **A Plant for the Production of Feldspar Concentrate from Feldspathic Sand**
- **A Plant for the Production of Sodium Sulfate From Glauberite Deposits of Shari Saltern**
- **Alumina Production from Kaolin by Lime-Sinter Process**
- **Production Ceramic Tiles and Tile-Bricks**
- **Mining and Production of Gypsum-based Construction Materials**
- **Production of precipitated calcium carbonate using Wadi Ghadaf Limestone**

Strategic opportunities

- Establishment of new Petrochemical plant
- Rehabilitation and up grading of the existing petrochemical plant
- Establishment of new Fertilizer plant /production line
- Investing in Mining
- Partner ship with any of SOEs
- Partnership with private sector
- 2trillion of Iraqi Dinars to be injected to the industry by central bank

P P P

اللہ اکبر



Legal Framework



- Partnership with SOE : Law 22 /1997
- Partnership with P S : Law 21 / 1997
- Public Private Partnership /Cabinet resolution 492
- Investment Law 13 / 2006
- Mining Investment Law 91/ 1989

Conclusion



- Iraq is a potential business opportunities
- Privatization is the solution for the Future of Iraq Economy
- The Private sector in Iraq is your potential partner
- Banking is one of the most important business in Iraq
- Credit rating, WB loans, IMF support, and some European countries Guaranties are giving signs for future
- Iraq comply with OECD regulations

THANK YOU

الله اكبر



**Time is over, for the presentation,
But its start for doing business**

Your questions
and
comments are welcomed