

## **Support and Protection Emerging Industries to Promote Domestic Production in Kurdistan/Iraq**

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### **Abstract**

The most important procedure of having successful economy is to support the development of industrial sector, which is the basis of the GDP growth. Due to the current situation in the state, it has become necessary for the government to support these local industries. Since the time of Kurdistan investment council founding, the council has initiated many laws that have very good influence in founding many factories in the region during 2006-2012. In addition to that the investment income growth rate has increased but soon began everything moving decline after this period because of many factors experienced by the region. The goal of the research is to demonstrate the situation of the local industries and their concept of improving productivity with the help of the government. The import of foreign goods has led to closure of many firms after 2003. Also the Government support has reduced due to the security status which also had a direct affect in weakening of the industrial sector in general, and its role in the growth of the economy. Kurdistan Region Government investigates the problems of local industries. The research tries to explain the problems of domestic industries, and government support methods, illustrate the weakness of government support for industries down to building proposals on the role of the state in supporting the sector. One of the most important research proposals is that small and medium industries in Kurdistan can only be developed through laws aimed at arranging these industries by financing and supporting investors, educating employees and reducing taxes and customs duties on raw materials. Also the government must regulate the import of goods to compete for domestic industries, in a manner that does not affect small industries.

**Keywords:** Support and protection emerging industries to promote domestic production in Kurdistan/Iraq

## I. Introduction

Support and protection of emerging industries have become influential forces in most countries of the world, especially in developed countries in particular and developing countries in general. Because it contributes to increasing the economic growth of the country, by offering production opportunities, workforce and contribute to the increase in total production and others. The purpose of this research is in order to support and protect the emerging industries to strengthen local production in the Kurdistan Region / Iraq and its role in support and protection in the operation and production and absorption of the size of labor that contribute percentages according to reports and statistics available, as well as some research conducted by researchers who preceded me in this important subject.

The results of the research show that small industries are the most numerous and spread of the medium and large industries in the Kurdistan region / Iraq, and according to data from the statistics authority of Kurdistan region / Iraq there are (89) large industries and 182 medium industries only while there are about 10387 small industry in the last census of a body in Kurdistan region / Iraq in 2013, while in the latter half of 2015 it reached 61.02% of the labor force as for the value of the total output, which was received in the reports of the statistics authority in Kurdistan region / Iraq in 2015. The average of the accounts per year is not commensurate with the economic reality, which indicates a decline in economic growth and a decline in the number of medium enterprises significantly, and the increase in the unemployment rate in 2015 due to the deterioration of economic conditions and the instability of the country compared to 2009. the most important research proposals are that the development of industries in the Kurdistan region / Iraq region can only be done through the development of laws and procedures aimed at organizing and developing these industries through the Financing of investors, rehabilitation and training of workers and exemption from taxes and customs duties resulting from the importation of raw materials for industrialization, trade and industry must regulate the importation of competing goods for local industries in markets in a way that does not harm the markets of small and medium industries in the Kurdistan region / Iraq.

The Developed countries have given the issue of industrial development of small and medium-sized enterprises a particularly important since the sixties of the last century. This interest has been extended to the rapid growth in the countries in Southeast Asia as well as India, Pakistan and others.

But in the Kurdistan region of Iraq, the national development strategy was alerted during 2005-2007, As a result of the acceleration in the pace of technological progress and economic globalization at the international level and the accompanying conversion of large industries into small production industries and distribution to different countries of the world according to comparative advantage and productive efficiency, It recommended that small and medium-sized industries should be encouraged and appropriate financing mechanisms should be established in the coming years.

The economic situation has become very influential in the recent period of the economy of the region therefore, it is necessary to adopt an industrial policy in a direction that leads to the adoption and encouragement of large industries which is managed by the public sector, and by financing the oil sector encouraging small-scale industries run by the private sector in order to reduce the unemployment rate to the lowest level, but this transformation requires the start of an economic reform program, a transition to a market economy and the consequent restoration of economic life primarily industrial activities, as in the past. The importance of small and medium enterprises must be ascertained that these enterprises have a role in solving the economic problems of industrial backwardness and social problems represented by the unemployed.

### **1.2 Statement of the Problem**

The economy of the Kurdistan region / Iraq in the period 2014-2016 suffered from a decline in productivity and quality in economic projects primarily large industries, while the private sector was less affected, many small and medium-sized industries have been closed because of the country's security and economic conditions and a decline in oil prices, which is the main source of imports of the region, which has affected the reduction of productivity and the spread of unemployment in these projects, and thus their negative impact on economic development in the Kurdistan region / Iraq.

### **1.3 Significance of the Study**

- 1- Analysis of small and medium enterprises in the Kurdistan Region / Iraq and the measures taken to exploit these projects
- 2- Stand on neglecting the problems faced by small and medium enterprises in the Kurdistan Region / Iraq.
- 3- To assess the extent to which these problems affect the output of the industrial sector
- 4- Support and protection of emerging industries to strengthen local production in the Kurdistan Region / Iraq

### **1.4 Research Questions and Assumptions:**

- 1- What is the role of local industries in the economy of the Kurdistan region of Iraq?
- 2- What is the protection of emerging industries?
- 3- What is the role of domestic exports in the economy of the region?
- 4- How to activate the economy of the Kurdistan Region through local industries?

### **1.5 Limitations**

The limitations of the study I have encountered are the lack of time, as well as the great effort, the search for general and mixed industries and the private, the cost of transport and communication between them, distance and also the refusal of some institutions to give the information that was not included in the search, some did not respond to the email,

This research is important because it shows the reality of the industries we own and how to develop and support them

## **ii. Literature Review**

### **2.1 The concept of small and medium-sized industries**

The United Nations Organization defines industrial development (the small and medium industries) as those projects managed by one owner, it assumes full responsibility in its long-term and short-term dimensions and the number of employees varies between 15-10

The US Development Committee is of the view that these institutions are characterized by capital coverage by one or several people, that the administration is usually done by a capital owner, and that the site for the work of these institutions is carried out in one area.

With a view to identifying small and medium-sized enterprises, there are some studies that are based on two criteria:

1. Employment Standard: The concept of the size of employment varied from one state to another. In Kurdistan, 9.1 workers were considered to be among small enterprises and 29-10 workers for medium-sized enterprises, while the number of workers in these establishments ranged from 100-10 workers to one.
2. Capital standard of the project: The World Bank has set the capital at about 220 thousand dollars for small projects, but in the Colosseum, the planned 1982 is still in the order of less than 100,000 dinars for small projects.

### **2.2 The economic importance of small and medium-sized industries in Kurdistan:**

The system of economy has undergone multiple stages, which has clearly influenced its economic growth rates and made it incapable of meeting the challenges it poses to the economy. Unable to cope with the reconstruction of the basic productive infrastructure, the exploitation of its economic resources and the restoration of its productive capacity Natural, and therefore unable to build projects with advanced technological content, which makes the rate of economic growth less than the desired level.

In the light of this, the most important advantages of these industries must be mentioned by the following points:

1. An important pillar in the improvement of economic growth is that it ensures that growth and economic efficiency are in tandem with equality and participation
2. A large proportion of the total volume of industries in most of the world's countries, especially developing countries, represents

3. Industries, especially small, are easily established because they do not need large capital or sophisticated technology in addition to their ability to produce and work in different areas of development.

4. Helps to utilize available local resources and capabilities and imports only a small proportion of production inputs, compared to large industries by relying on a large volume of imported capitalist inputs and equipment.

5. A means of investing raw materials and a source for supplying large industries with many of their needs. While these industries are positive, as in the rest of the countries there are side effects of **these industries that we can call negative points: 1. Funding constraints 2. Market constraints**

**The most important economic importance pros are:**

1. contribute to the employment of a large part of the workforce, where about 34% of the employed workforce in the United States, and 71% in Japan and 50% in the Philippines.

2. contribute to an active role in the creation of added value, contributing to small and medium enterprises about 55% of value added in Japan and about 39% in Chile.

3. small and medium enterprises constitute the bulk of the volume of economic accounting in Germany 85% and 99% in Chile and 90% in the Philippines.

4. in Kurdistan was total in the last census year 2013 body about 93.5% of the working force for the year 2013, while the lower level, in the latter half of the year 2015 at 61.02% of workforce

## **2.3 Government support**

### **2.3.1 Government Support Concept significance:**

Support can be defined in general terms as financial assistance or a benefit that achieves the industrial project's physical benefits. Government support for the Government to provide subsidies or economic benefits to the industrial project, increase profits or reduce costs or allow the industrial project to obtain services or inputs at lower prices than market prices or lead to the purchase of project products at higher prices.

The government may provide preferential exchange rates for purchases of the industrial project from abroad. These purchases include either production inputs, capital equipment or services facilitating the operation of the project such as maintenance, rehabilitation and other services. In certain cases, government support is linked to the export performance of the project.

In Article 1 of the Convention on Subsidies and Countervailing Duty, the World Trade Organization (WTO) has defined support The Government of Miley :

**1-1: For the purpose of this Agreement, support shall be deemed to exist:**

A – 1 - If there are any financial statements from a Government or any general public in the territory of the member referred to as "government" when:

1. The practice of the Government involves the direct transfer of funds (e.g. loans and financial important), direct transfer of funds or financial discounts (e.g. loan guarantees.)
2. The government has waived or left out government revenues (e.g. financial incentives such as tax deductions).
3. The Government provides goods or services, other than public infrastructure or the purchase of goods.
4. The Government has made payments for, or is in the private, or in order to implement a valuable or more valuable

A-2- On the existence of any form of income support or price support in the sense of article XVI of the 1994 GATT Convention

B. Making use of this.

are subject to support as defined in paragraph (1) of the provisions of Part II or subject to the provisions of Part III or V only if it is available in accordance with the provisions of article (2)

**2.3.2 Government support for the industrial sector:**

Of substantial government support for the continuation and recovery of industrial sector work, which in turn is one of the centers of income generation and output and the continuation of the development process in developing countries, as the support of the industrial sector leads to more work and helps to create a better environment for investment in this sector . The 8 agreements concluded between the European Union and some developing countries have taken into account the emerging industry in the stages of their industrialization and the provision help to get it and push it forward to increase its relative growth in GDP, and government support can be seen through three Aspects:

**I. Government support at the level of the industrial project through:**

1. To reduce the cost of production for the industrial project;
2. Raise the level of profits for the industrial project.
3. Raise the profit-to-cost ratio.
4. Increase the rate of return to invested capital and create an investment environment attractive to investment.

5. Reducing the intensity of foreign competition pressures for industrial project products.
6. Reduction of unemployment.
7. Pushing for a greater role for the industrial project in improving the nearby social environment.
8. Strengthening of the Forward and backward linkages of the project.
9. Reduction in the cost of borrowing for the project.
10. Creating new investment opportunities to expand the project.
11. Development of the technical skills involved in the project.

## **II. Government support at the industrial sector level through:**

1. To increase the level of production and productivity and to boost this.
2. Increase the relative share of industrial output in gross domestic product (GDP).
3. Development of labor force in the industrial sector.
4. Expansion of the level of industrial investment.
5. Support the competitiveness of industrial products in the direction of imported products.
6. Encourage industry to export its products abroad.
7. Push towards exploiting the comparative advantage of national industry's outward orientation.
8. To create a closer correlation between the industrial sector and other commodity and service sectors.

## **III. Support for the industrial sector at the macroeconomic level through:**

1. To reduce the level of unemployment and create new jobs.
2. Increase the level of gross domestic product (GDP).
3. Change the overall economic economy from a traditional agricultural to an economic economy in which industry plays a significant role.
4. To bring about a change in the composition of the labor force at the macroeconomic level in order to enhance the relative growth of the workforce in the industry at the expense of the labor force in agriculture, which enhances the productivity of labor in agriculture and the use of more modern methods in this sector.
5. Support for industrial exports abroad in order to enhance the country's foreign exchange earnings.

### **2.3.3 Government support and market economy:**

The market mechanism is focused on the non-interference of the State in economic activity and the pursuit of its traditional balance, the quest for economic equilibrium by relying on prices, the preservation of competitive conditions and the prevention of monopolization. It is clear that the private sector is represented by different individuals and companies, which plays the key role in economic activity, but that does not mean to lift the country from the economy so that it performs the role of the officer and regulator of economic activity and the engine of its pace and governance

In its conflicts, it has an essential role in maintaining the level of economic activity at full utilization levels and also means that it plays a role as a supporter of industrial projects, and all the industrialized capitalist countries, despite their involvement in the World Trade Organization (WTO) and the purpose of the whole, highlight the role The state as an essential supporter of economic activity at the macro and micro level and to prevent it from being affected by internal and/or external economic crises and strengthen its competitive stance towards foreign industrial products there is no principle in the market economy that denies support to the industrial sector in a way that It depends on economic efficiency, promotes industrial activity, creates an attractive environment for investment and protects industrial and agricultural products from harmful practices in international trade, which boils down to dumping, foreign support for imports and the unjustified increase in import. At the level of the industrial sector in Iraq, the sector needs to be supported and not lifted, as this will weaken its position competitive, damaging economic activity, raising the level of unemployment, disrupting the use of capital and abandoning potential investment opportunities at this stage. The indirect means of support can be summarized as follows:

1. Effective application of the Product Protection Act No. 11 of 2010.
2. Application of the Law on tariff important to protect the national industry and promote its competitive position.
3. Application of the procedures for the qualitative examination of imported goods in accordance with pre-defined specifications by the central inspection and qualitative control.
4. Re-introduction of the import leave system and prevention of the indiscriminate importation of goods.
5. Application of the Law on protection of the tenant and its paragraphs on industrial fraud.
6. To take strict legal action by applying the Trademark Act.
7. Take the necessary measures to apply health checks to foreign products imported to preserve human, animal and plant health.
8. Preparation of a series of technical specifications that take into account the taste and different conditions of Iraq and the application of these specifications to imported goods.
9. Establish strict environmental standards that take into account global standards for imported goods, and remove residues after use.
10. Application of rules of origin to imported goods.

Direct support relates to financial support, technological support, the provision of land for the industrial project at nominal prices, the cost of industrial lending and the lowering of the lending costs provide subsidized production inputs, purchase output at preferential prices, produce low-priced production services and train manpower In the project and help create marketing opportunities at home and abroad



### **III. Methodology**

#### **4.1 Population and Sample**

##### **4.1.1 Survey Research & Response Rate**

###### **4.1.1.1 Analyzing the results of field study on government support for the industrial sector**

The aim of a survey on governmental support for the industrial sector, a special questionnaire has been prepared within the framework of the research was distributed to a sample of 20 public company of industrial sector companies, out of 89 industrial companies public, and was neglected 5 Questionnaires to incomplete answers, and were analyzed on 15 customer satisfaction survey, representing 15 companies in the framework of the search (in the supplement List of firms), which was the analysis questionnaires.

In the mixed industrial sector. Questionnaires were sent to 10. And the response of the answer 4 Questionnaires, represent the view of the mixed sector companies toward the issue of government support for the sector. With regard to the industrial sector, the research explored the views of the private sector with some companies lots through field meetings and interviews the officials of these companies, And the difficulty of collecting private industrial companies. The companies that responded to the questionnaire were relied on. (The list includes the names of the sectoral entities and the companies that responded). The analysis of the answer to the sections of the industrial sector mentioned above gave a clear picture of the type of government support it receives while identifying the shortcomings and negatives in this field.

#### **Instrument development & data analysis and summary**

##### **4.1.1.2 Analysis of the results of government support to the public industrial sector**

The questionnaire, which was distributed to industrial sector branches, contained 24 questions and questioned the types of government support that public industrial sector companies received from the state and deduced from the responses of those companies:

- A- The largest government support to the public sector is the support of salaries and wages. The State has supported the salaries and wages of affiliates of public industrial sector companies directly based on the salary scale and this has continued to the extent of the promulgation of the State Employees' Salaries Act No. 22 of 2008, which supported the salaries of the public sector in terms of quantity and was considered as corporate loans to the Ministry of Finance, and in 2010 it was Eliminate this support from companies that have the ability to pay their employees and the winners of the companies all companies in the public industrial sector are self-funded companies, while the rest of the companies that do not have the capacity to pay the salaries of their own employees from their own market have been granted loans for salary

purposes from the banks and a contract between each company and a public bank with the Ministry of Finance having the benefits of the loan only, and that the answer to the first question in the resolution is explained by the 20% of companies (see Appendix Table 2).

- B- The financial grants provided by the state came to 60% yes, while the rest of the answers did not receive more than 30% yes.
- C- The rate for the answer percentage was yes to the questions of the questionnaire% 19.2. While the answer rate was not a% 80.8 this shows that government support is very small and very weak for public industrial companies and is not commensurate with the size and the magnitude of the companies and the national economy

#### 4.1.1.3 Analysis of results on government support to the mixed industrial sector.

- A. From the responses of the mixed industrial sector companies to the questionnaire questions, it is indicated that the average answer (yes) was 9.4%, while the average answer with (no),% 90.6 This means a severe weakening of the volume and type of government support to companies in the mixed industrial sector.
- B. Firms in the sector are considered to be successful industrial-level firms with the ability to stabilize and compete in the market, despite the strong foreign competition of the products of these firms in the economic opening-up phase.
- C. Companies in the sector need government support to help strengthen the market's competitive edge in addition to its economic center.

#### 4.1.1.4 Analysis on government support to private industrial sector.

- A. The response of private sector companies and firms to government support to the sector (yes) was about 11.5%, while in total, 88.5% responded that there was no such support
- B. The questionnaire responses to this sector show that the limited government support provided to it is found in some paragraphs and there is no support in others.
- C. Weak documentation of government support to the sector and the need for a neutral identity documenting this type of support.

Table No ( 1 )

Responses from the public, mixed and private industrial sector for each question in the form

Please mark (√) in the appropriate box by indicating the types of support your company receives from the following types		Public Sector		Mixed Sector		Private Sector	
No	Government support items provided to the industrial sector	Yes	No	Yes	No	Yes	No
1)	Support salaries and wages	12	3		4		4
2)	The provision of financial grants from the government	9	6		4		4

3)	Financial support provided by the government based on the export performance of the company (The more exports of the company's products the more support)		15		4		4
4)	Provide financial support from the government and to replace domestic goods with imported foreign goods.		15		4		4
5)	The government waives the collection of certain taxes	4	11		4		4
6)	Offering goods at prices below their market price	1	14		4		4
7)	Providing free services to industrial companies other than infrastructure services		15		4		4
8)	Purchasing goods produced by industrial companies at a price higher than their market price	1	14	2	2		4
9)	Provide financial support for the company's environmental adaptation business		15		4		4
10)	Provide financial support for development of research activities in the company	4	11	3	1		4
11)	Provide loans at an interest rate lower than the prevailing market interest rate	5	10	1	3		4
12)	Provide government guarantees for loans required by industrial companies thereby reducing the level of lending risk with banks The grant which leads to the result in the reduction of the level of the interest rate calculated for the loan	2	13		4	2	2
13)	Provide loans for industrial companies in the same interest rate prevailing in the market, but allow for periods of greater and easier repayment terms		15		4	1	3
14)	Provide preferential exchange rates when exporting industrial products		15		4	1	3
15)	When industrial companies import raw materials that enter production provide preferential exchange rates	1	14		4	1	3
16)	Provide preferential exchange rates when industrial companies import machinery or production equipment	2	13		4		4
17)	Lower transport charges when industrial companies ship their products or ship equipment or machinery using public transport.	3	11		4		4
18)	Offering petroleum products at prices below the selling prices in the local market	1	14		4		4

19)	Provide electricity at prices lower than consumer prices		15		4		4
20)	Provide water and sewage services at prices below sales of consumer prices	1	14		4		4
21)	Preparation of research for the benefit of industrial companies without paying wages or preferential wages	2	13	1	3	2	2
22)	Offering land plots by the state to industrial companies free of charge or at a preferential price	3	11		4		4
23)	Is there any other support provided by the State to companies and industrial plants not mentioned above?  * In case if the answer is yes, please mention this on the notes page with the writing of the question number.	3	11	1	3		4
24)	Do you think companies and industrial plants need government support?	15		4		4	
25)	TOTAL	69	288	12	80	11	85

\*Source: questionnaire form

Table No ( 2 )

The analysis of governmental support the industrial sector public, mixed and private (in percentages according to answer)

Please mark (√) in the appropriate box by indicating the types of support your company receives from the following types		Public Sector		Mixed Sector		Private Sector	
No	Government support items provided to the industrial sector	Yes	No	Yes	No	Yes	No
1)	Support salaries and wages	80	20		100		100
2)	The provision of financial grants from the government	60	40		100		100
3)	Financial support provided by the government based on the export performance of the company (The more exports of the company's products the more support)		100		100		100
4)	Provide financial support from the government and to replace domestic goods with imported foreign goods.		100		100		100
5)	The government waives the collection of certain taxes	26.6	73.3		100		100
6)	Offering goods at prices below their market price	7	93		100		100
7)	Providing free services to industrial companies other than infrastructure services		100		100		100

8)	Purchasing goods produced by industrial companies at a price higher than their market price	7	93	50	50		100
9)	Provide financial support for the company's environmental adaptation business		100		100		100
10)	Provide financial support for development of research activities in the company	26.6	73.3	75	25		100
11)	Provide loans at an interest rate lower than the prevailing market interest rate	33.3	66.6	25	75		100
12)	Provide government guarantees for loans required by industrial companies thereby reducing the level of lending risk with banks The grant which leads to the result in the reduction of the level of the interest rate calculated for the loan	13.3	86.6		100	50	50
13)	Provide loans for industrial companies in the same interest rate prevailing in the market, but allow for periods of greater and easier repayment terms		100		100	25	75
14)	Provide preferential exchange rates when exporting industrial products		100		100	25	75
15)	When industrial companies import raw materials that enter production provide preferential exchange rates	7	93		100	25	75
16)	Provide preferential exchange rates when industrial companies import machinery or production equipment	13.3	86.6		100		100
17)	Lower transport charges when industrial companies ship their products or ship equipment or machinery using public transport.	20	80		100		100
18)	Offering petroleum products at prices below the selling prices in the local market	7	93		100		100
19)	Provide electricity at prices lower than consumer prices		100		100		100
20)	Provide water and sewage services at prices below sales of consumer prices	7	93		100		100
21)	Preparation of research for the benefit of industrial companies without paying wages or preferential wages	13.3	86.6	25	75	50	50
22)	Offering land plots by the state to industrial companies free of charge or at a preferential price	20	80		100		100

23)	Is there any other support provided by the State to companies and industrial plants not mentioned above?  * In case if the answer is yes, please mention this on the notes page with the writing of the question number.	20	80	25	75		100
24)	Do you think companies and industrial plants need government support?	100		25	75	100	
25)	TOTAL	19.2	80.8	9.4	90.6	11.5	88.5

\*Source: questionnaire forms

## Finding

### 1.1 Findings: Research Question 1

#### - What is the role of local industries in the economy of the Kurdistan region of Iraq?

-It can be summarized as follows: 1. Promoting economic independence 2. Solving the problem of unemployment 3. Industrial integration 4. No need for a high level 5. Adaptability 6. Serves the goal of justice 7. Achieving balanced development 8. Compatibility with changes

### 1.2 Findings: Research Question 2

#### - What is the protection of emerging industries?

-The national industrial sector needs to be protected from competing with similar foreign products and imported from abroad by imposing customs duties on imported goods competing for local production so that the promising domestic industry, which has acquired knowledge, expertise and minds, can reduce its average cost so that it can compete with imported goods, Industry to give real and promising opportunities to promote this important sector, according to the mechanisms of simplified and easy and easy,

### 1.3 Findings: Research Question 3

#### -What is the role of domestic exports in the economy of the region?

Improved commercial excellence.

Helping an industry with political influence.

Revitalize an economically depressed region where export industries are concentrated.

### 1.4 Findings: Research Question 4

#### -How to activate the economy of the Kurdistan Region through local industries?

Provide material or in-kind grants to producers who export their goods abroad.

## CONCLUSION AND RECOMMENDATION

### I. CONCLUSIONS:

1. There is government support for public sector companies in the area of salaries and wages mainly and in other areas in a secondary and vulnerable manner.
2. Weak government support to the mixed industrial sector.
3. There is government support for the private industrial sector in some limited areas and the responses of the main actors representing the private industrial sector are contradictory about the types of support provided to the sector.
4. Provision of government support for industrial projects. It does not contradict the trend towards a market economy.

### II. Recommendations

1. Preparation of a government plan to provide government support by industrial sectors and governorates, taking into account disadvantaged areas and areas where the unemployment rate is higher than the labour force, which is less concentrated in industrial enterprises.
2. Effective application of the Law on tariff and the re-introduction of the Law on tariff applicable prior to 2003.
3. The effective application of the Product Protection Act No. 11 of 2010 and the acceleration of legislation to help implement the provisions of this law.
4. Preparation of a law for Cities and industrial parks to allow the establishment of cities and industrial parks in all governorates; The distribution of land within industrial parks and cities at nominal rental rates and the provision of services to the complexes of all aspects of infrastructure and other industry services. and compatibility with urban planning in the governorates.
5. Restoration of existing industrial estates and parks and provision of basic services.
6. To affirm the application of the Law on Protection and protection against industrial fraud.
7. Prevention of indiscriminate importation and designation of importation with specific technical specifications.
8. To affirm the operationalization of the central inspection and quality control work in the examination of all types of imports to protect human, animal and plant health.
9. To affirm the preference of all industrial sector companies for government tenders and purchases and to increase the amount of 10% more from the lowest foreign offers made and the transfer of tenders and government procurement to the limits of that margin. **To address the problems of Iraq's industrial sector, the following must be adopted:**

1. Development of a reconstruction programme for factories and industrial companies that are suffering from depreciation due to progress or technological obsolescence.
2. Development of the infrastructure of the economy, particularly those that serve the national industry, the preparation of information bases that serve the industrial sector and the development of the technological knowledge used in production processes.
3. The training and development of workers in industrial establishments in the service of the production process and the upgrading of the quality of enterprises.
4. Create opportunities for economic partnership between national industrial companies and foreign industrial companies to promote industrial investment in national industrial companies, development of the products, and the transmission of the technical knowledge of it.
5. Creating a general orientation for industrial companies to serve the national economy and reduce government intervention in corporate affairs
6. The gradual tendency to make public companies cover their fixed and variable costs, to allow them to go to the winning category so that they do not represent a burden on the public budget.
7. Address the problem of surplus employment in public enterprises in a manner that does not result in a high level of labor unemployment and the adoption of the principle of retraining in accordance with the needs of the economy to the various areas.
8. Provide affordable industrial loans to companies operating in the industrial sector to ensure that they cover their different requirements at a low interest rate.
9. Industrial companies are required to obtain quality products, and the ISO, for quality performance as conditions for granting concessional loans and support

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